



PROMOTING COMPREHENSIVE COMMUNITY AND ECONOMIC DEVELOPMENT STRATEGIES FOR RURAL ILLINOIS

**Annual Report to the Governor
And General Assembly**

Prepared by

**Illinois Institute for Rural Affairs
Western Illinois University**

In consultation with

**Lt. Governor Evelyn Sanguinetti, Chairperson
Governor's Rural Affairs Council**

August 1, 2018

MEMBERS OF THE GOVERNOR’S RURAL AFFAIRS COUNCIL

Member Agencies and Associations of the Governor’s Rural Affairs Council

Office of the Lt. Governor
Illinois Agricultural Association / Illinois Farm Bureau
Illinois Community College Board
Illinois Department of Agriculture
Illinois Department of Commerce and Economic Opportunity
Illinois Department of Employment Security
Illinois Department of Human Services
Illinois Department of Natural Resources
Illinois Department of Public Health
Illinois Department of Transportation
Illinois Department on Aging
Illinois Environmental Protection Agency
Illinois Finance Authority
Illinois Housing Development Authority
Illinois Institute for Rural Affairs
Illinois State Board of Education
Rural Partners
Southern Illinois University, Center for Rural Health and Social Service Development
University of Illinois – Cooperative Extension

Citizen Members

Luke Allan
Heather Hampton-Knodle
Doug Hanks
Todd Kaeb
Sonja Reece
Larry Richards

***Ex-Officio* Members**

Douglas Wilson / Molly Hammond, USDA—Rural Development (Illinois)
Norman Walzer, Northern Illinois University, Center for Governmental Studies

PURPOSE OF THE GOVERNOR'S RURAL AFFAIRS COUNCIL

The purpose of the Governor's Rural Affairs Council is to develop and implement coordinated strategies to improve the way government services are delivered to the residents of rural Illinois. The end goal is to expand opportunities and enhance the quality of life for rural residents. The Lieutenant Governor, as Chairperson of the Governor's Rural Affairs Council, and the Illinois Institute for Rural Affairs at Western Illinois University, shall continue to issue an Annual Report in accordance with Executive Order 4 of May 18, 2011, and Executive Order 13 of October 11, 1991.

Copies of these Executive Orders are located in the Appendices

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ACRONYMS

AAA	Area Agency on Aging	IFA	Illinois Finance Authority
ACA	Affordable Care Act	IHDA	Illinois Housing Development Authority
AESP	Adult Education Strategic Plan	IIRA	Illinois Institute for Rural Affairs
AP	Advanced Placement	ISBE	Illinois State Board of Education
APP	Abandoned Property Program	LAA	Local Administrative Agency
APS	Adult Protective Services Program	LBCP	Land Banking Capacity Program
BRP	Blight Reduction Program	LEAP	Local Efficiency Assessment Planning
CCP	Community Care Program	LIHEAP	Low Income Home Energy Assistance Program
CCRS	College and Career Readiness Standards	LIHTC	Low Income Housing Tax Credit
CEO	Creating Entrepreneurial Opportunities	LLC	Limited Liability Company
CGS	Center for Governmental Studies	LMI	Labor Market Information
CNC	Computer Numeric Controlled	LTCOP	Long Term Care Ombudsman Program
CORE	Creating Opportunities for Retention and Expansion	MAP	Monetary Assistance Program
CRH	Center for Rural Health	MAPPING	Management and Planning Programs in Nonmetropolitan Groups
CRHSSD	Center for Rural Health and Social Service Development	MSSP	Medical Student Scholarship Program
CTE	Career Technical Education	NESP	Nursing Education Scholarship
DCEO	Department of Commerce and Economic Opportunity	NIU	Northern Illinois University
EDWG	Economic Development Working Group	O & M	Operations & Management
EES	Essential Employability Skills	OMB	Office of Management and Budget
EIT	Entrepreneurship, Innovation, and Technology	PCF	Peace Corps Fellow
EIU	Eastern Illinois University	PLF	Performance Limiting Factors
EMS	Emergency Medical Services	PRA	Partners for a Rural America
ESSA	Every Students Succeeds Act	PTAC	Procurement Technical Assistance Center
EWG	Education Working Group	RESEA	Reemployment Services and Eligibility Assessment
FPP	Foreclosure Prevention Program	RHSP	Rental Housing Support Program
FSCAP	Facility Specific Compliance Action Plan	RRFF	Rural Resource Funding Fair
FTE	Full Time Equivalent	RTAC	Rural Transit Assistance Center
GRAC	Governor's Rural Affairs Council	SBA	Small Business Administration
HHF	Hardest Hit Fund	SBDC	Small Business Development Center
HPSA	Health Professional Shortage Areas	SHIP	Senior Health Insurance Program
HSE	High School Equivalency	SIU	Southern Illinois University
HWG	Health Working Group	SLRP	State Loan Repayment Program
IACAA	Illinois Association of Community Action Agencies	SMSCAP	Small Municipal Systems Compliance Assistance Program
IAHTF	Illinois Affordable Housing Trust Fund	SNAP	Supplemental Nutrition Assistance Program
IBHE	Illinois Board of Higher Education	TAN	Technical Assistance Network
ICCB	Illinois Community College Board	TANF	Temporary Assistance to Needy Families
IDES	Illinois Department of Employment Security	UI	Unemployment Insurance
IDHS	Illinois Department of Human Services	UIUC	University of Illinois, Urbana-Champaign
IDOA	Illinois Department of Agriculture	USDA	United States Department of Agriculture
IDOC	Illinois Department of Corrections	VMWDPLP	Veteran / Minority / Women / Disabled-Owned Business Participation Loan Program
IDOT	Illinois Department of Transportation	VASDC	Value-Added Sustainable Development Center
IDPH	Illinois Department of Public Health	WIU	Western Illinois University
IEPA	Illinois Environmental Protection Agency	WIOA	Workforce Innovation and Opportunity Act
IET	Integrated Education and Training	WOTC	Work Opportunity Tax Credit

EXECUTIVE SUMMARY

A Governor's Executive Order requires that the Illinois Institute for Rural Affairs (IIRA) at Western Illinois University (WIU) submit a report each year to the Illinois General Assembly documenting the economic and social conditions affecting rural Illinois. The IIRA does this in collaboration with the Governor's Rural Affairs Council (GRAC), chaired by the Lieutenant Governor.

The 2018 report unfolds in five parts. Section one describes the origins and purpose of the GRAC. The GRAC, chaired by the Lt. Governor, serves as a forum to promote collaboration among state agencies to improve the quality of life for the residents of rural Illinois.

Section two provides an overview of rural Illinois demographic change and economic conditions. Two central themes are addressed here. First, the report summarizes the long-standing challenge of rural outmigration and population decline. The key issue here is the loss of young people in rural Illinois. There are significant implications for rural economic development in the face of declining numbers of young people to become the future business owners, employees, and community leaders.

The second theme in section two highlights the importance of a diversified rural economic landscape. Agriculture has always played a central role in the rural economy. However, rural communities also need manufacturing, retail, education, health care, and jobs in many other sectors in order to thrive. During the Great Recession that began a decade ago, the rural economy fared worse and recovered more slowly than urban Illinois. Policymakers need to be aware of the different rural versus urban development trajectories when they formulate policies. Recently announced Opportunity Zones could help rural Illinois communities to diversify their local economies to spur job and wage growth.

Section three describes activities of three working groups comprised of GRAC members. These three working groups are focused on: (i) economic development, (ii) health care, and (iii) education. These working groups are tackling the problems related to depopulation, community health, and the need for economic diversification. Tangible outcomes include the reduction in fees for businesses to register as a Limited Liability Company (LLC) in Illinois. A second outcome was to modify the state's angel investment program to focus on smaller communities, not just those with more than 300,000 people.

The groups are also focusing on community development issues such as the role of technology to improve access to quality education and health care in rural communities. The health care working group is also addressing the challenges posed to rural places by the opioid crisis.

Section four provides a summary of rural community and economic development activities delivered by each GRAC member agency. The fifth and final section concludes by encouraging continued collaboration among local, state, and federal agencies to support rural community well-being in Illinois.

PART I. OVERVIEW OF THE GOVERNOR'S RURAL AFFAIRS COUNCIL

This report provides a snapshot of the economic and social conditions in rural Illinois. It also summarizes the activities of the Governor's Rural Affairs Council (GRAC), a forum comprised of government agencies, non-profit organizations, and private sector companies. The GRAC is chaired by the Lt. Governor, and has a mission to improve the quality of life in rural Illinois.

Rural Illinois is a surprisingly complex place. It is comprised of stereotypical corn and soybean fields to be sure. However, there are manufacturing enterprises, college towns, parks, historical sites, tourist destinations, and diverse communities in the rural parts of the state. This complexity in part sparked the creation of the GRAC back in 1989.

The origins of the GRAC can also be traced to a broader set of macroeconomic forces that came to a head during the Farm Crisis of the 1980s. Expanding global farm markets in the 1970s prompted many farmers to expand operations to meet growing international demand (Barnett 2000). In order to expand, many farmers had to take on significant debt. These heavily leveraged farmers were blindsided, when in the early 1980s, interest rates more than doubled, as part of the federal policy to address stagflation. Higher interest rates forced many indebted farmers into bankruptcy. This had a negative economic ripple effect across rural America (Buttel 1989).

Farm foreclosures spurred a wave of farm consolidation and rural outmigration. Rural businesses also suffered as did a whole range of anchor institutions such as hospitals, churches, and other non-profit organizations. The point here is that the Farm Crisis is a misnomer, because it does not fully capture the fact that the Midwest experienced a broader rural development crisis that affected both the farm and rural non-farm economy.

Political leaders in Illinois recognized the complexity of the rural development crisis when, in 1986, Governor James Thompson created the Task Force on the Future of Rural Illinois. This task force held 22 public hearings and visited 97 communities in 60 of the 102 counties in Illinois to understand the key issues affecting rural places (Walzer and Merrett 2014). Governor Thompson went further to recognize that while rural residents represented 26% of the Illinois population, they did not receive a commensurate share of state funding to support infrastructure and economic development projects. He also signed Executive Order 7, which created the GRAC.

The GRAC was established to promote a multi-agency approach to spur rural community and economic development. The GRAC started with 12 state agencies that regularly delivered programs and technical assistance in rural areas. The expectation was that the GRAC would help state agencies collaborate to more effectively serve rural Illinois.

In order to track rural development issues, the Illinois Institute for Rural Affairs (IIRA) was established in 1989 at Western Illinois University (WIU). Governor Jim Edgar issued Executive Order 13, mandating that the IIRA conduct research and submit a report each year on behalf of the GRAC documenting conditions in rural Illinois and making recommendations for future development strategies (Appendix A). The IIRA research role was reaffirmed by a second Executive Order in 2011 (Appendix B).

The GRAC has evolved over the years. By 2014, the GRAC had 18 member agencies. In addition, Lt. Governor Sanguinetti's office expanded the number of citizen members to six, to ensure rural Illinois was represented by a broad cross section of public and private sector perspectives. This report documents the rural development programming delivered by the GRAC and its constituent agencies.

PART II. ECONOMIC AND DEMOGRAPHIC SUMMARY OF RURAL ILLINOIS

2.1 DEFINING RURAL ILLINOIS

In order to report on the demographic and economic conditions in rural Illinois, it is important to define what is meant by “rural.” Experts acknowledge that there is no single definition. In fact, one USDA report states that policymakers and researchers describe “rural” using a “dizzying array of definitions” (Cromartie and Bucholtz 2008, 1).

To simplify matters, this report adopts a common definition used by the federal Office of Management and Budget (OMB). In 2003, the OMB defined rural or non-metropolitan counties as those outside Metropolitan Statistical Areas (i.e., counties containing cities or core population centers with populations of 50,000 or more people).

In 1991, 76 of the 102 Illinois counties were defined as rural or nonmetropolitan using this definition. Since that time, Illinois has become increasingly urban and hence, by 2003, the number of rural counties in Illinois dropped to 66 (Fig. 1). After the 2010 census, the number of rural counties in Illinois dropped further to 63 (Reinhold 2015). This report continues to use the 2003 definition so that comparisons can be made across different time periods.

2.2 DEMOGRAPHICS IN RURAL ILLINOIS

This report highlights two main themes. First, rural depopulation continues to be a challenge because a shrinking population means a declining workforce, a smaller economy, and a shrinking tax base. The concern is that rural depopulation could threaten the quality of life for the rural residents who remain.

Second, a healthy rural economy requires a diversified economic base. Agriculture may be a central aspect of the rural Illinois economy. However, rural communities also need manufacturing, education, retail, healthcare,

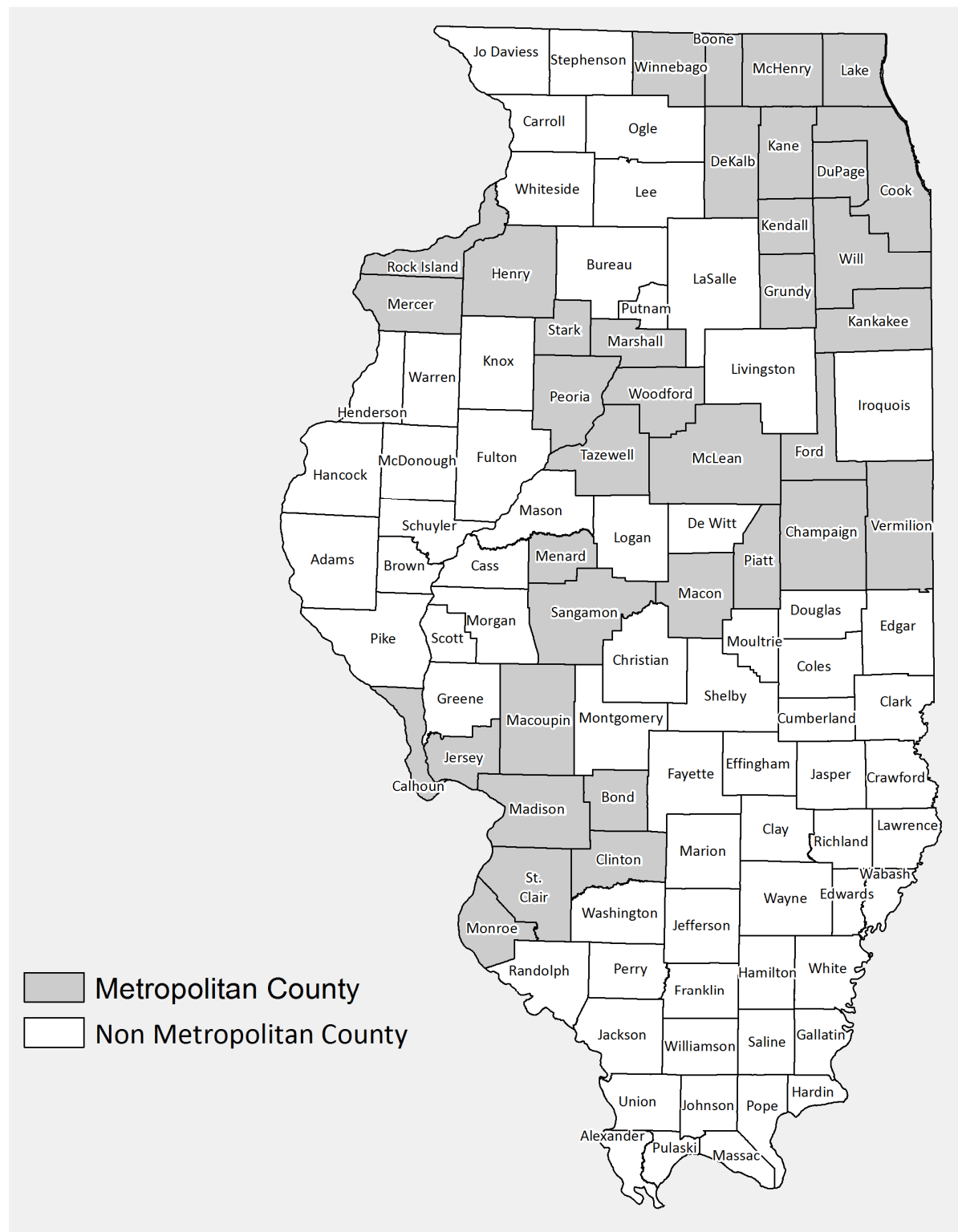
and other economic sectors in order to thrive. It is also important to note that the agricultural sector itself depends on a diverse rural non-farm economy. Many farmers and their families depend on the rural non-farm economy for off-farm employment. These jobs often provide health insurance, retirement benefits, and income when commodity prices drop. In short, the rural non-farm economy sustains the farm sector. The remainder of this section discusses the recent demographic and economic trends in rural Illinois.

At its birth, the United States was an agrarian country, with over 95 percent of its residents living as farmers in rural communities. Estimates suggest that the United States was still 90 percent rural as late as 1840 (US Census Bureau 2012).

This situation changed at the start of the industrial revolution in the mid-19th century as a growing urban labor force was needed to work in factories. The rate of urbanization accelerated in the 20th century due to the mechanization of agriculture, which meant that fewer farmers and farms were needed to feed the growing populace.

Accelerating urbanization meant that growth rates diverged between rural versus urban regions of America. Some rural regions experienced slowing population growth. Other places actually started a century-long population decline. Many agriculturally dependent counties in the rural Midwest reached their population peaks over a century ago in the late 19th or early 20th century. For example, Hancock County in rural west-central Illinois had its population peak in 1870. Pope County in far southern Illinois reached its highest population in 1890. Livingston County in central Illinois peaked in 1900.

Figure 1. Nonmetropolitan Counties in Illinois



Source: US Census Bureau (2016).

Other rural counties in Illinois and across the United States experienced population peaks much more recently, such as in the 1980s, or have actually continued to grow, albeit more slowly than most urban counties.

The varying population growth trajectories in the United States and even in Illinois can be explained in many ways. The more economically diversified a rural economy is, the more likely it is to have retained its population, or at least slowed decline. In Illinois, counties that hosted a university (e.g. WIU in McDonough County), or maintained a significant manufacturing base (e.g. Galesburg and Knox County) had stable or even slowly growing populations through the 20th century up until about 1980, which is the census year populations peaked in both counties.

While most rural counties in Illinois have experienced decades of population decline, there are seven rural Illinois counties with populations that peaked with the 2010 census (e.g. Coles, Douglas, Effingham, LaSalle, Massac, Ogle, and Williamson Counties). These counties share common characteristics of having a diversified economic base (e.g. hosting industry or an institution of higher education such as Eastern Illinois University), are served by an interstate highway, and / or are in close proximity to a larger urban area.

Nationally, in each decade since 1820, the proportion of Americans living in urban areas has grown. By 2010, an estimated 83.5 percent of Americans lived in urban areas, a figure that increased to 84.3 by 2017 (Table 1).

Illinois has urbanized more quickly than the national average (Table 2). Illinois was 50 percent urban by 1900. The United States was not 50 percent urbanized until 1920 (Fig. 2). By 2010 and according to 2017 estimates, Illinois is more urbanized than the United States average.

In the late 20th and into the 21st century, we continue to see divergent demographic trends

nationally and in Illinois. In 1980, 20.1 percent of Americans lived in rural counties (Table 1). By 2017, that figure dropped to 15.7 percent. Paradoxically, while the proportion of Americans living in rural areas dropped, the number of Americans living in rural places increased from 45.5 million to 51.1 million (Table 1). The proportion of Americans living in rural areas dropped only because urban America was growing so quickly.

While Illinois has also become more urbanized, it has done so through the growth of urban areas such as Chicago, but also because the rural population dropped in absolute terms. In fact, the number of people living in rural Illinois declined by over 150,000 between 1980 and 2010 (Table 2).

A population growth index comparison shows how dramatically urban versus rural population growth rates have diverged. The figure below adjusts rural versus urban growth rates to the year 2000 (Fig. 3). A value of 1.0 means that no population growth occurred in the year in question. A value greater than 1.0 means that population growth is occurring. A value less than 1.0 means population has declined. As data show, Illinois has lost rural population since 2000, but that loss accelerated after about 2012 and has continued to decline (Fig 3).

The dramatic loss of people in rural Illinois is a key issue for policymakers to address. A closer examination of population dynamics by age cohorts provides a basis by which this issue can be targeted. The Illinois population under aged 20 years of age is the fastest declining age cohort. This age cohort, which is declining overall in Illinois, is shrinking most quickly in rural areas (Fig. 4). The prescription for promoting rural prosperity must therefore provide at least some emphasis on either retaining or recruiting young people to serve as the foundation for rural communities and the rural labor force.

Table 1. Rural versus Urban Population Change in the United States, 1980 to 2017

Year	Rural	Rural as a Percent of Total Population	Urban	Urban as a Percent of Total Population	Total
1980	45,541,354	20.1%	181,004,451	79.9%	226,545,805
1990	46,706,269	18.8%	202,003,604	81.2%	248,709,873
2000	48,841,966	17.4%	232,579,940	82.6%	281,421,906
2010	51,043,753	16.5%	257,701,785	83.5%	308,745,538
2017	51,103,291	15.7%	274,615,887	84.3%	325,719,178

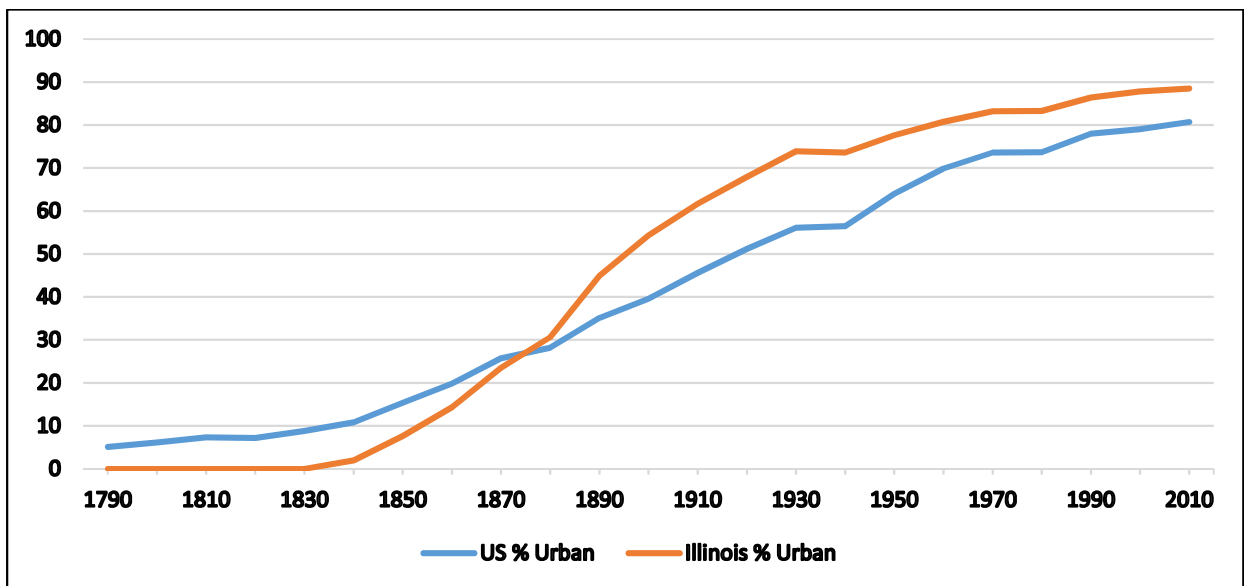
Source: US Census Bureau (2018).

Table 2. Rural versus Urban Population Change in Illinois, 1980 to 2017

Year	Rural	Rural as a Percent of Total Population	Urban	Urban as a Percent of Total Population	Total
1980	1,773,350	15.5%	9,653,168	84.5%	11,426,518
1990	1,680,018	14.7%	9,750,584	85.3%	11,430,602
2000	1,705,887	13.7%	10,713,406	86.3%	12,419,293
2010	1,679,801	13.1%	11,150,831	86.9%	12,830,632
2017	1,616,441	12.6%	11,185,582	87.4%	12,802,023

Source: US Census Bureau (2018).

Figure 2. Percent Urbanization by Decade for the United States and Illinois, 1790 to 2010



Source: US Census Bureau (2012).

Figure 3. Illinois Total Population Growth Index, 2000 to 2017

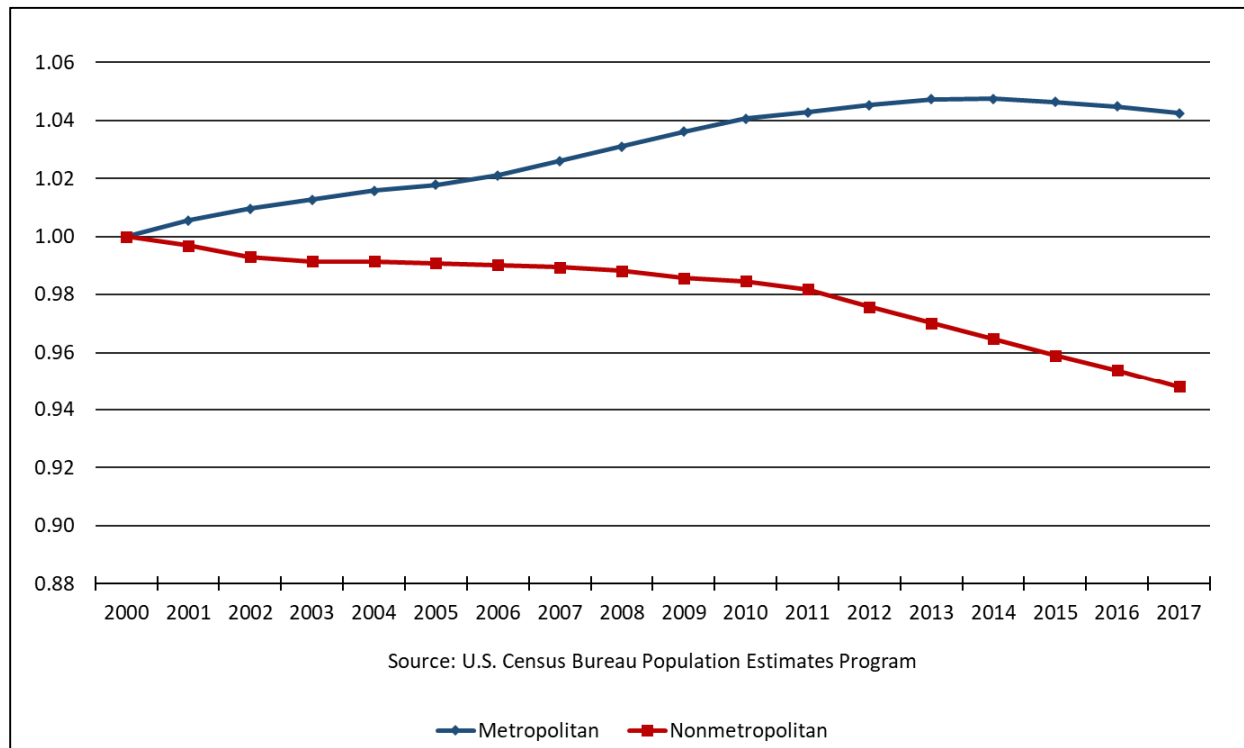
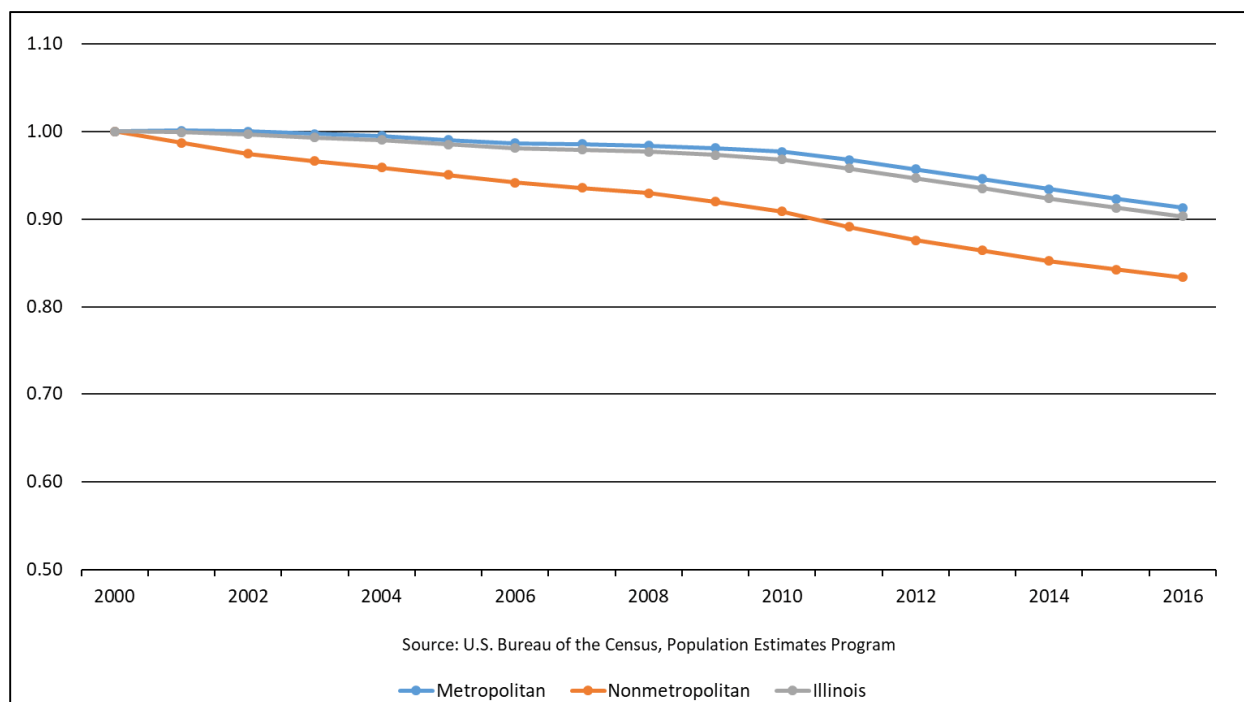


Figure 4. Illinois Population Growth Index for Persons under 20 Years of Age, 2000 to 2017



This could be done through local and state policies such as encouraging entrepreneurship among young people to start their own businesses or to take over established businesses owned by individuals looking to retire. The successful CEO (Creating Entrepreneurial Opportunities) program, operated by the Midland Institute in Effingham, Illinois, represents one such model for promoting youth entrepreneurship. It integrates an entrepreneurship curriculum into high school learning.

The implied message is that a student does not have to leave the community to find a rewarding career. The problem is that this kind of “grow your own” approach to business development and population growth is not likely to have a systemic impact on rural demographics. It might be part of the strategy, but other policies may be needed to halt population decline.

An alternative strategy for keeping young people in rural Illinois is to provide more state funding to higher education in Illinois. This could prompt more young people to stay in Illinois and attend an Illinois university.

This is a challenge, though, because of a heavy higher education pension burden that draws money away from university operations. Measured one way, data show that Illinois spends more money on higher education per pupil than any other state. In 2017, the total educational expenditure per full time equivalent (FTE) in Illinois was \$23,228, 64 percent higher than the national average of \$14,151 per FTE student (State Higher Education Executive Officers 2018, 32).

With a 43.2 percent increase, or an increase of \$7,005 per FTE, no state in the country has increased total educational revenue per FTE more than Illinois from pre-recession levels. While tuition rates have increased, so has state and local educational appropriations. As of 2017, Illinois had the second highest

appropriations in the country at \$16,055 per FTE. 2017 marked the all-time high in state and local support per FTE in Illinois’ history.

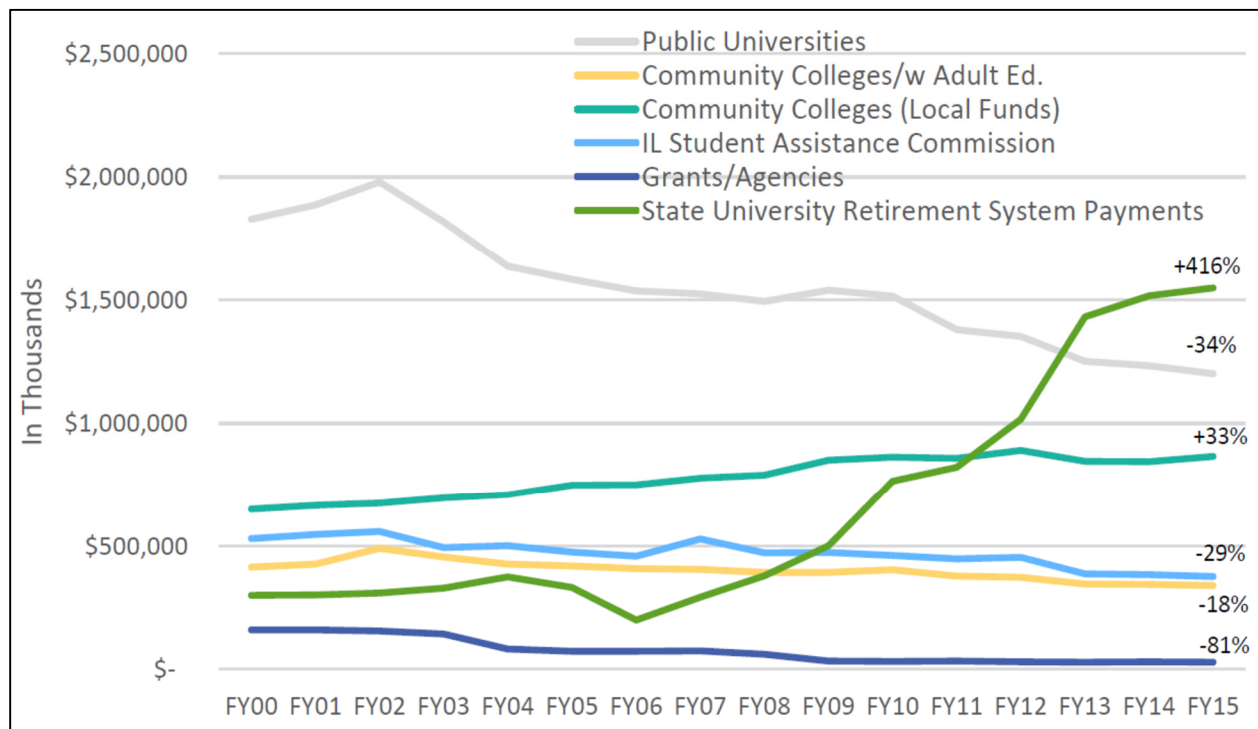
However, these statistics mask an enormous problem preventing those dollars from reaching the classroom. Illinois has a significant underfunded public pension problem. In fact, 37.8 percent of state support for higher education pays for public pensions that have been chronically underfunded (State Higher Education Executive Officers 2018, 32). This means funding that could be used for university and college operations is diverted to pay for retiree pensions (Fig. 5). Higher education pension spending has increased 416 percent from FY 2000 – 2015. As a result, direct public university aid from the state has dropped 34 percent over the same timeframe.

This pension burden, along with temporary issues such as the 2-year budget impasse from July 2015 to August 2017, has created extraordinary challenges for higher education in Illinois. Despite resolution of the budget impasse and record-high spending by state and local taxpayers, higher education in Illinois in many ways is facing a crisis. Students are leaving the state for other colleges and administrative pressures are forcing layoffs and programmatic cuts at Illinois colleges, in some rural universities more than others.

2.3 ECONOMIC CONDITIONS IN RURAL ILLINOIS

It is impossible to separate demographic from economic development issues. As the previous section discussed, rural Illinois is losing population especially young people who will be the future workers, business owners, and community leaders. Therefore, policy makers need to address the demographic issue to ensure future rural prosperity. However, it is not enough to simply ensure there are enough people to fill vacant jobs; policymakers must also invest in appropriate economic development strategies to spur rural economic well-being.

Figure 5. Total State and Local Funding for Illinois Public Higher Education, Adjusted to 2015 Dollars



Source: Mitchell, Leachman, and Masterson (2017).

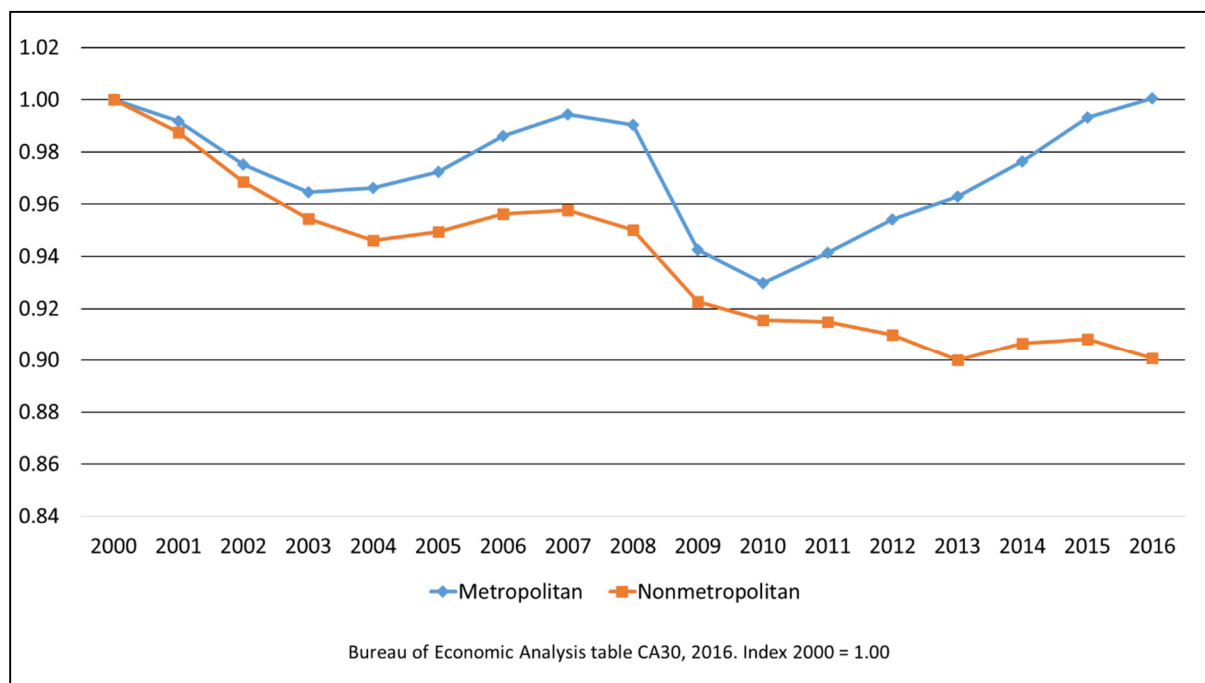
This section explore five themes related to rural versus urban economic development that might help policymakers construct sound economic development policy:

1. Rural versus urban job growth and recovery since the Great Recession.
2. Sectoral differences and the important role of manufacturing, education, and social services in rural places.
3. Geography of small business and its importance in rural Illinois.
4. Diverse unemployment patterns in rural Illinois and the need for regional rather than statewide approaches.
5. Diverse poverty rates in rural Illinois, including high poverty rates in rural regions with low unemployment, indicating significant numbers of working poor.

The first trend is that rural counties in Illinois still lag behind urban counties in recovering from the Great Recession. This can be measured in several ways, but a rural versus urban job growth index clearly shows that not only have rural counties not recovered from the job loss of the great recession, the state budget impasse appears to have worsened job growth in rural Illinois (Fig. 6). By the end of 2016, urban Illinois has recovered and job growth continues into 2018 continues. Rural job growth continues to falter.

The second issue to address is the diversity of the Illinois economy and the fact that real differences exist in the composition of the rural versus urban landscapes. Agriculture continues to be part of the foundation of the rural Illinois economy. However, other sectors actually play a more important role in terms of employment.

Figure 6. Wage and Salary Employment Growth Index, 2000 to 2016



Source: Bureau of Economic Analysis (2017).

For example, while 4.7 percent of the Illinois workforce is employed in resource extraction such as agriculture or mining, manufacturers employ 15.1 percent of rural Illinois workers. In addition, rural Illinois is disproportionately more dependent on manufacturing as only 12.1 percent of urban workers are employed in the manufacturing sector (Table 3).

Rural workers are also more likely to be found in the education, health care, and social assistance sector as compared to the urban workforce. Consequently, the state budget impasse had a disproportionately large impact on rural communities when schools, health care agencies, and social service providers did not receive financial support from the state.

Many social service providers laid off employees, as did schools. Layoffs also meant that schools, hospitals, and social service agencies had to cut services (Olson 2017). Even a year after the impasse ended, many government agencies, nonprofits, and schools, including colleges and universities are struggling

to recover (Associated Press 2018; Toledo 2018).

The state budget impasse had a negative ripple effect beyond the layoffs and cancelled agency programs. The clients typically served by these shuttered and downsized agencies were also affected because they could no longer receive services offered by, for example, homeless shelters, domestic abuse counselors, transit providers, and substance abuse recovery offices, and at-risk youth offices (Halstead 2015).

The poverty rate is higher in rural versus urban Illinois (Coulter 2017). That means that the state budget impasse had a disproportionately large impact on rural places and low-income communities.

Table 3. Illinois Metro and Non-metro Employment by Sector, 2016

Employment Sector	Total Number of Persons Employed 16 Years and Older			Percent of Persons Employed 16 Years and Older		
	Illinois	Illinois Metro	Illinois Nonmetro	Illinois	Illinois Metro	Illinois Nonmetro
Civilian employed population 16 years and over	6,134,121	5,408,589	725,532	100.0%	100.0%	100.0%
Agriculture, forestry, fishing and hunting, and mining	65,146	30,730	34,416	1.1%	0.6%	4.7%
Construction	317,245	273,911	43,334	5.2%	5.1%	6.0%
Manufacturing	763,429	654,115	109,314	12.4%	12.1%	15.1%
Wholesale trade	187,477	168,096	19,381	3.1%	3.1%	2.7%
Retail trade	670,576	583,372	87,204	10.9%	10.8%	12.0%
Transportation and warehousing, and utilities	370,802	326,335	44,467	6.0%	6.0%	6.1%
Information	121,338	111,858	9,480	2.0%	2.1%	1.3%
Finance and insurance, and real estate and rental and leasing	448,924	413,904	35,020	7.3%	7.7%	4.8%
Professional, scientific, and management, and administrative and waste management services	709,106	669,795	39,311	11.6%	12.4%	5.4%
Educational services, and health care and social assistance	1,404,905	1,220,755	184,150	22.9%	22.6%	25.4%
Arts, entertainment, and recreation, and accommodation and food services	556,087	502,628	53,459	9.1%	9.3%	7.4%
Other services, except public administration	291,022	257,067	33,955	4.7%	4.8%	4.7%
Public administration	228,064	196,023	32,041	3.7%	3.6%	4.4%

Source: US Census Bureau (2018).

The third key issue is the rural reliance on small business. A map created by the U.S. Small Business Administration (SBA) shows that the more rural the community is, the more reliant it is on small business for work force employment (Fig. 7). This fact has at least two implications for rural Illinois.

First, it is important to realize that just as the average age of the rural population in general is aging; the average age of business owners is also increasing. Many longtime business owners are looking to retire and need a successful business succession plan. That is, they need to find somebody to purchase their business. This is certainly an important issue for the business owner, who may be depending on the proceeds from the sale of the business for retirement.

It is also very important for the communities in which these businesses operate. If the business owner is not able to find a new buyer, they may simply close down. If this happens, employees may be laid off and the appearance of a newly vacant store front hurts the current businesses.

A failed business succession plan is like a business bankruptcy for a small town. Small town economic developers need to be vigilant to ensure businesses are sustained from one generation the next.

Second, the rural dependence on small business and entrepreneurship provides a strategy for youth retention. As noted earlier, rural areas are losing population, especially young people. Better business succession planning could be linked to encourage youth entrepreneurship as a way to promote rural business sustainability and youth retention. High school and college entrepreneurship training could help strengthen this connection between business succession planning and youth retention.

It is a challenge to understand the factors contributing to Illinois unemployment. On the one hand, rural versus urban unemployment

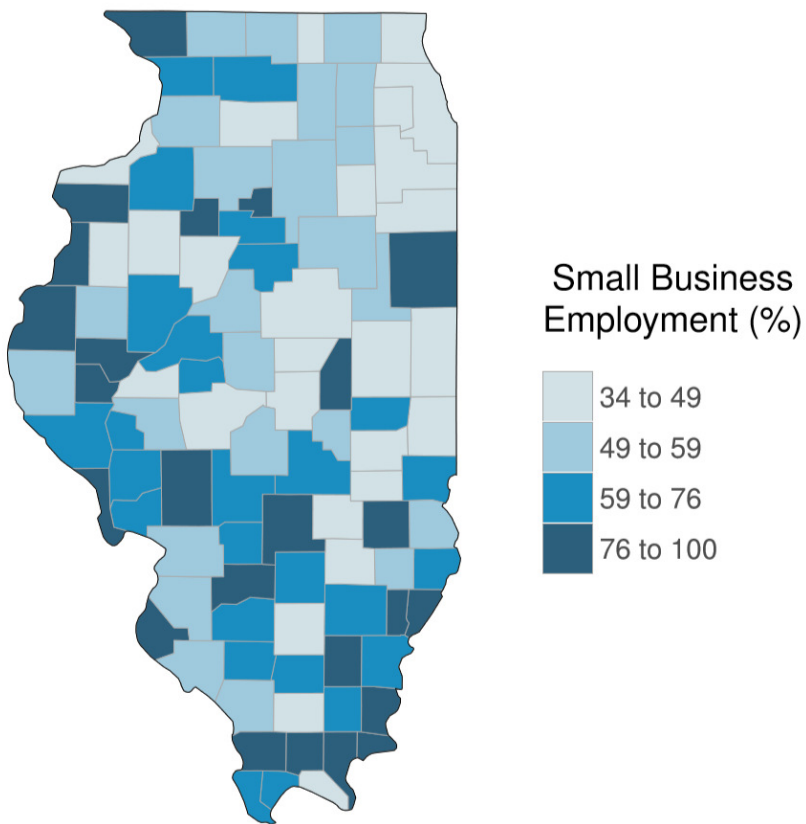
track closely over time when viewed at the state level (Fig. 8). These trends mirror the larger national macroeconomic trends, reflecting the economic downturn of the Great Recession, followed by the slow economic recovery and concomitant dropping unemployment rates after 2010.

However, within the dichotomous rural-urban categories, wide variations exist (Fig. 9). The highest unemployment rates in Illinois can be found in the most rural, southern parts of Illinois, including Alexander, Massac, Pope, and Pulaski Counties.

On the other hand, there are rural communities such as Adams County in West-Central Illinois or Effingham County in East Central Illinois, where unemployment is low, but poverty rates are moderately high. This suggests that there are many working poor households in rural Illinois. While having a significant number of working poor is not a good for a robust economy. It does go to the broader point that economic diversity is important to rural development; because the poverty rates are lower where unemployment is lower (Fig. 10). In addition, lower unemployment occurs where local economies are more diverse (Watson and Deller 2017). This confirms the notion that a sound rural economic development strategy seeks to diversify the economic base of rural communities.

Another outcome of pursuing a strategy of rural economic diversification is that it might narrow the persistent and even growing wage gap between rural and urban communities (Fig. 11). Rural counties overly dependent on agriculture or other resource extraction are susceptible to commodity price fluctuations. Therefore, a strategy to diversify rural economies serves to stabilize rural economies, while providing greater job opportunities for rural residents.

Figure 7. Illinois Small Business Employment by County, 2015



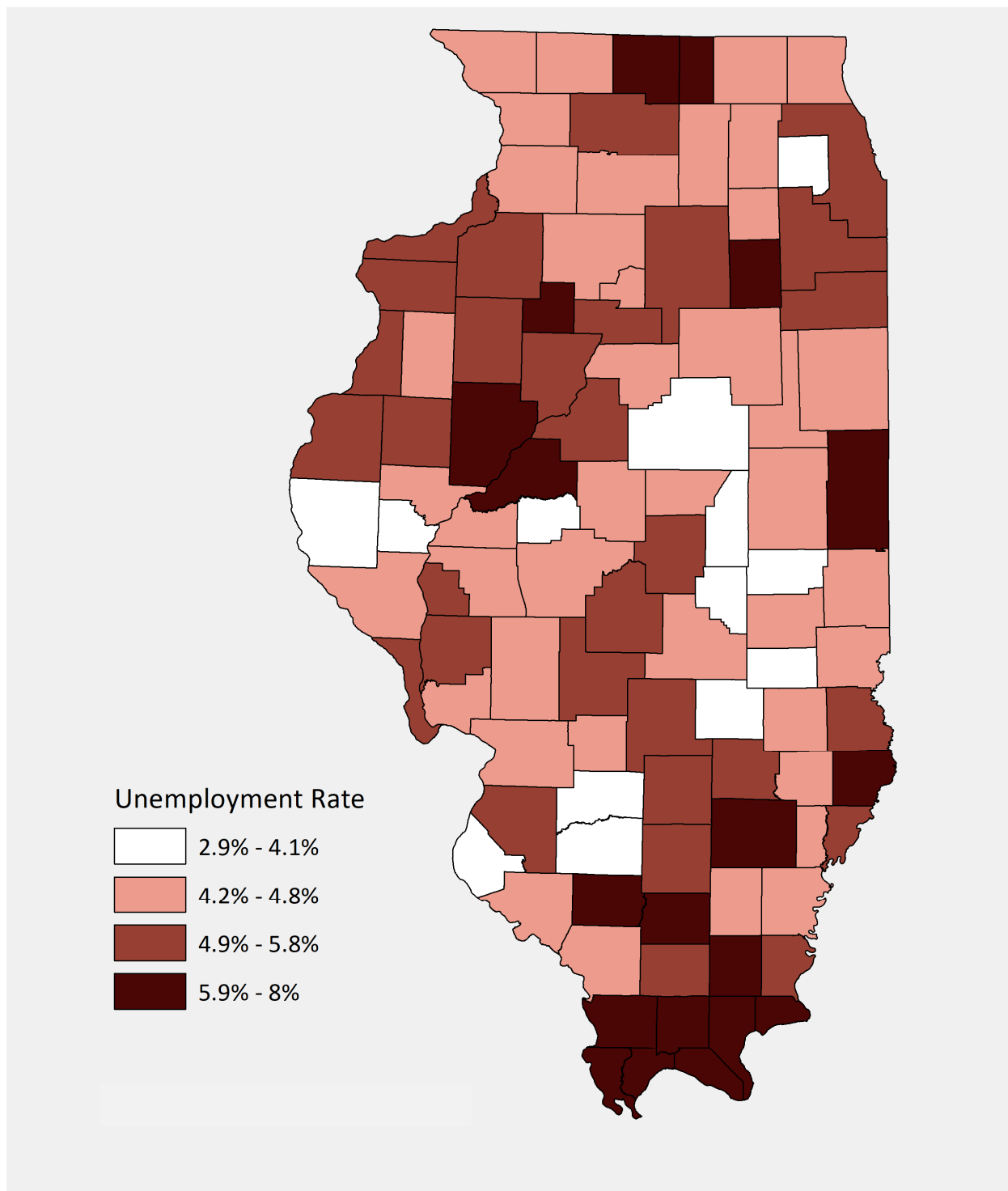
Source: Small Business Administration (2018).

Figure 8. Unemployment Rates in Metro versus Non-Metro Illinois, 2000 to 2017



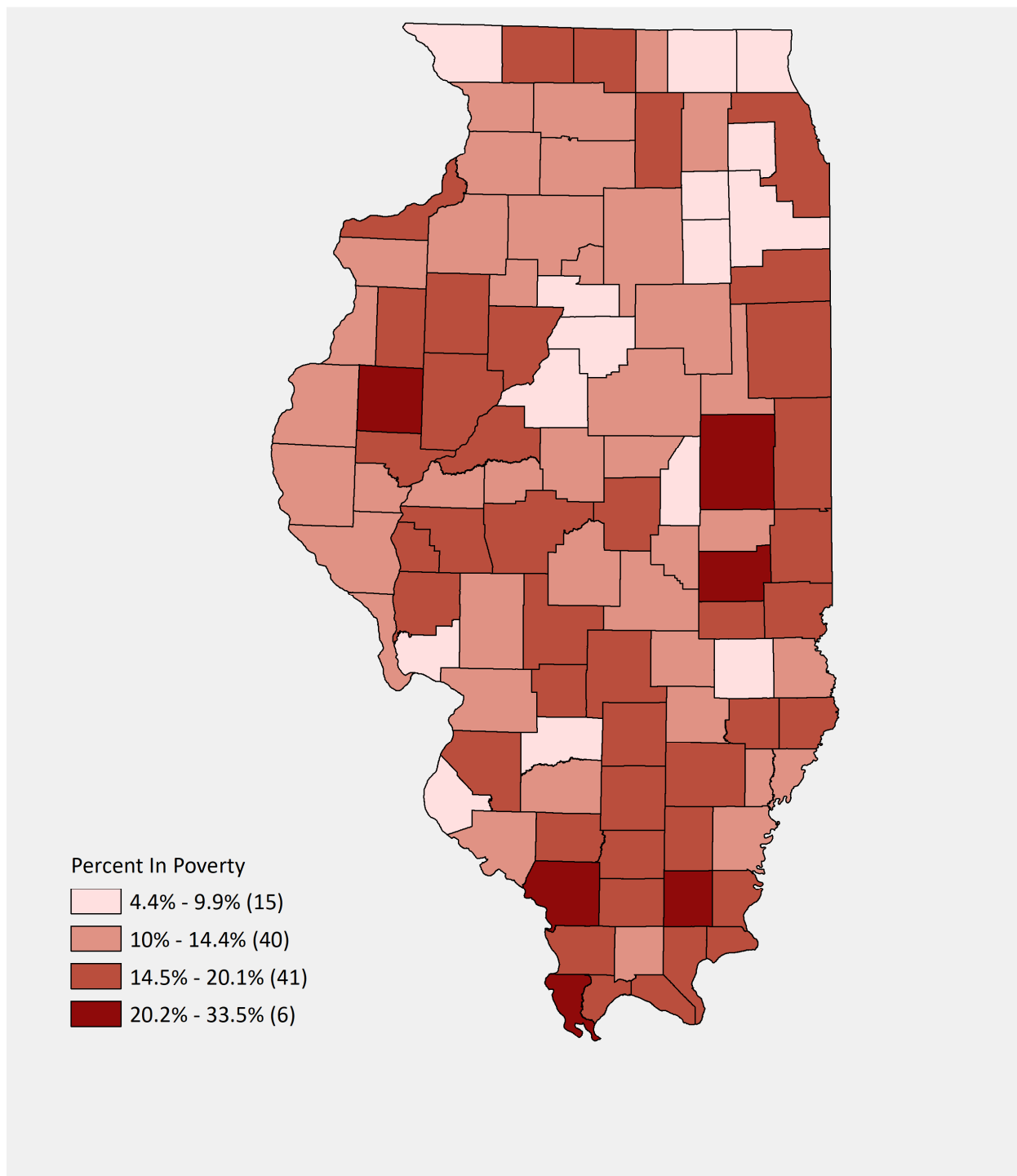
Source: Bureau of Labor Statistics (LAUS)(2017).

Figure 9. Illinois Annual Unemployment Rate by County, 2017



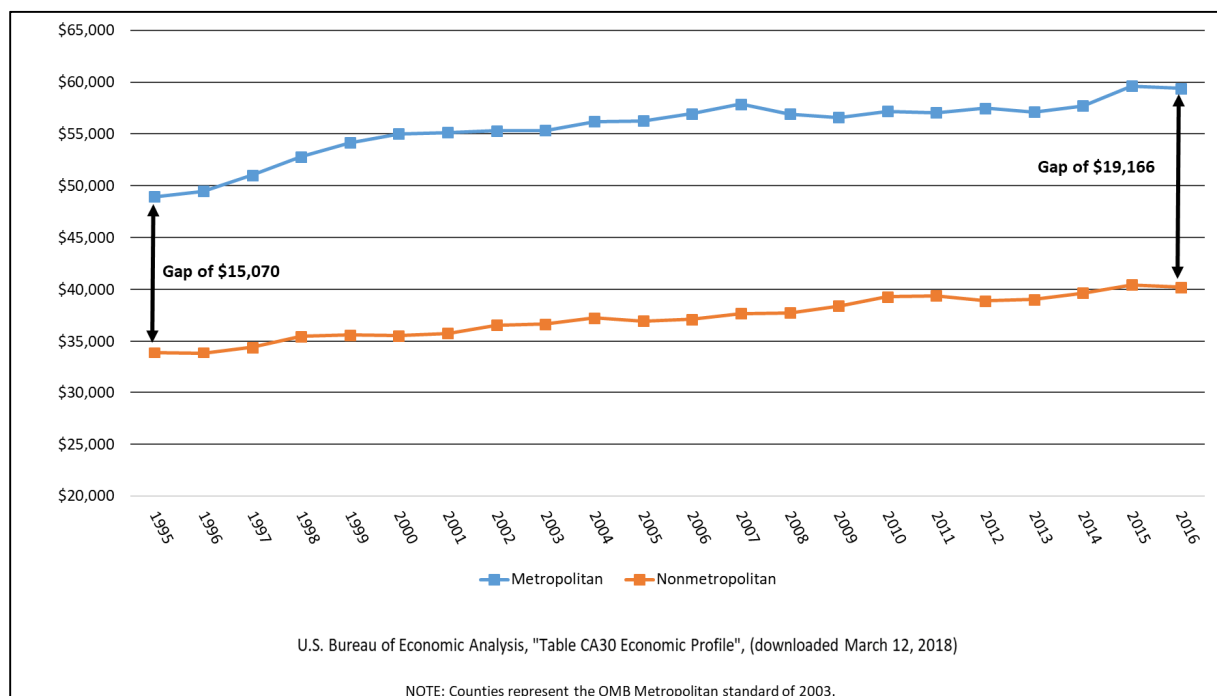
Source: US Department of Labor (2018).

Figure 10. Poverty Rates in Illinois by County, 2016



Source: US Census / American Community Survey (2018).

Figure 11. Illinois Metro versus Non-metro Average Wages, Inflation Adjusted to 2016



The recent federal Opportunity Zone program might help rural communities to narrow the rural-urban economic development gap, and serve as a catalyst for job and income growth through economic diversification.

Opportunity Zones emerged from the Federal Tax Cuts and Jobs Act of 2017 (Tankersley 2018). The premise is to incentivize companies with unrealized capital gains to reinvest these capital gains in designated geographic areas to spur economic development (DCEO 2017). Put another way, the program allows companies to avoid paying taxes on capital gains if these companies are willing to take these profits and investment them in projects located in opportunity zones (Weaver 2018).

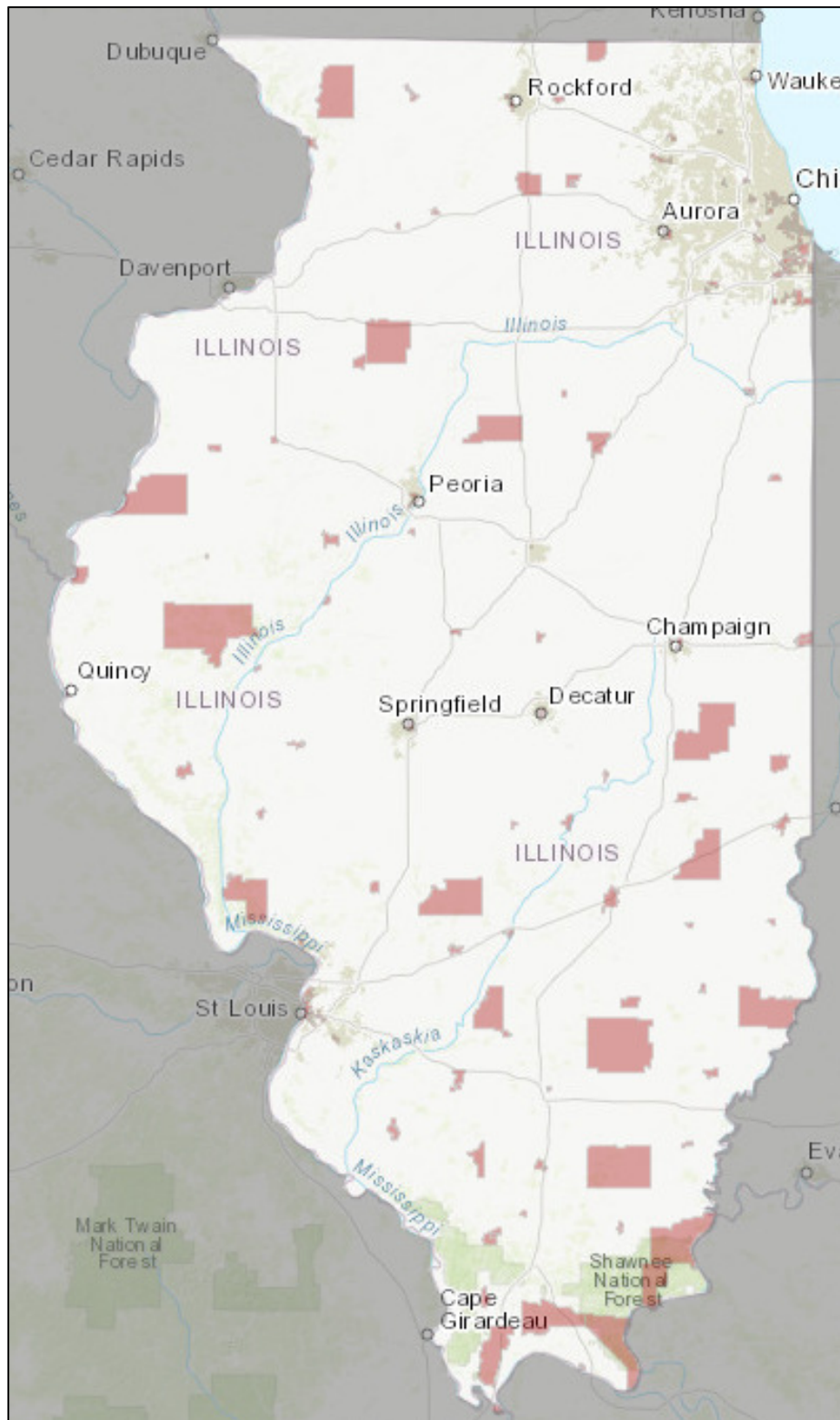
This act encourages state governors to nominate 25 percent of the census tracts in their respective states with low economic development metrics. Illinois Governor Rauner submitted 327 out of 1,305 eligible census tracts, and all were approved.

The Opportunity Zone census tracts were identified using a three-step process. First, eligible tracts were ranked using a needs-based index that accounted for poverty rates, unemployment rates, children in poverty, violent crime, and population.

Second, tracts were chosen to ensure equitable distribution across the state. Currently, 85 out of 102 Illinois counties have opportunity zones. This ensures that many downstate and rural counties host at least one opportunity zone.

Third, census tracts were chosen in consultation with local community stakeholders to confirm that local investment opportunities, adequate infrastructure, and natural amenities, among other issues actually exist (DCEO 2017). Many opportunity zones exist in rural Illinois, including in some of the poorest parts of the state (Fig. 12). More information on the genesis of the Opportunity Zone idea can be gleaned by reading the work of the Economic Innovation Group (2017), which first promoted the idea.

Figure 12. Opportunity Zones in Illinois



Source: Illinois DCEO (2017).

PART III. GRAC WORKING GROUP ACTIVITIES

3.1 INTRODUCTION

Several trends mentioned in the previous section have transformed the rural Midwest and rural Illinois over the past five decades. Under the leadership of Lt. Governor Sanguinetti, the GRAC initially formed four working groups to address rural development themes that have been described either directly or indirectly above. Eventually, because of overlapping interests, the workforce development working group that existed in 2017 merged with the economic development working group for 2018. Consequently, the three working groups include:

1. Economic Development (Todd Kaeb and Heather Hampton Knodle, chairs);
2. Health (Sonja Reece and Larry Richards, chairs); and
3. Education (Lucas Allen and Chris Merrett, chairs).

This section provides an overview of the policy discussions and actions taken by the working groups and the Office of the Lt. Governor to address rural issues in these four categories.

3.2 ECONOMIC DEVELOPMENT WORKING GROUP

The Economic Development Working Group (EDWG) emphasizes the need for Rural Economic Support thru programs, engagement, implementation, and execution of existing programs. Many existing local, state and federal programs do address local rural needs. Guided by the Lt. Governor and the GRAC Committee, State Departments continue to work on lateral communication to understand other departments' programs. Agencies need to be able to explain how best to help the entrepreneur get funding, navigate what programs best fit their needs, who to work with to best get funding and support, who in other departments can help, and ultimately, how to find the best program(s) that enhance rural growth.

The strategy of using a single State Wide Point of Contact that understands most of the current State and state-run Federal programs across all departments seems like an effective way to further support Economic Development in rural areas. One existing strategy to deliver on this recommendation is to use the Rural Development Resource Guide managed by the IIRA. The IIRA guide provides a searchable database that includes a broad selection of community and economic development programs offered by many of the state, federal, and even non-profit agencies.

In addition to maintaining the Rural Development Resource Guide, the EDWG also suggests other concrete strategies to promote rural development. The first idea is to increase promotion of Rural Resource Funding Fairs (RRFFs). RRFFs are a great source to have communities and businesses come before multiple agencies, present their needs in their respective local area, and then have the agencies share their views about which funding and technical assistance programs fit best for a particular project. The USDA along with support from the IIRA, other state agencies and local economic development agencies have initiated this program.

Business succession planning is a second key idea. As noted earlier, rural areas rely heavily on small business to anchor the main street economy. With the average age of business owners continuing to climb, business succession planning is a concern. The EDWG continues to discuss ways to enhance solid business transitions to the younger generation. A specific state agency that is interested should pick this up, receive state funding for agency personnel to then support, guide, and work alongside businesses in succession planning. More collaboration with youth entrepreneurship programs could also help here.

Tourism in rural Illinois should also receive more support. Initiatives like the Route 66 Program to enhance local towns that have Rt. 66 running thru them is a good example of using a local attraction to attract people from all over the world. The EDWG recommends that rural economic developers carefully consider the possible attractions and interests in their region to improve tourism opportunities.

There has been a persistent rural-urban gap in access to essential economic and community development infrastructure. Hence, the EDWG also encourages rural infrastructure build out of access to internet, roads to growing businesses, and capital funding for water, sewer, and other community needs.

The EDWG, working alongside the Lt. Governor's office, has worked to spur economic development by lowering costs of new businesses to incorporate and register with the State as a limited liability company (LLC). The office of the Lt. Governor worked with Representative Davidsmeyer to develop legislation to make Illinois the lowest LLC registration in the Midwest. The bill passed.

The EDWG and the Lt. Governor's office are working with the DCEO on legislation sponsored by Senator Weaver to reform the Illinois Enterprise Zones. Under the Enterprise Zone Act, the DCEO is specifically instructed to focus on counties of 300,000 people or larger. However, this approach favors larger, urban counties. This bill seeks to level the playing field to help communities smaller than 300,000 people to compete by modifying the EZ program scoring system and application process.

The EDWG suggests other policy changes too, including providing tax incentives to help business owners transition their business to younger owners. Illinois also needs to provide better incentives for rural farmers and business owners to bequeath part of their estates to community foundations. Community

Foundations can then reinvest this locally generated wealth to spur local community and economic development. Finally, the EDWG encourages policymakers to continue to create and build policies that focus on small business owners.

3.3 HEALTH WORKING GROUP

The Health Working Group (HWG) is a diverse committee of six members from various sectors. It includes two members of the public, one university health service administrator, and three representatives from State of Illinois agencies. It has been focused on identifying challenges that are especially pressing in the rural sections of Illinois.

Addressing the **opioid** crisis continues to be a major issue for the Health Working Group. That concern was shared by the Lt. Governor who initiated an Opioid Overdose Prevention and Intervention Task Force and a statewide listening tour. The task force has heard from experts including courageous individuals and families impacted by opioid use disorder, law enforcement personnel, medical professionals, and community advocates.

In the last ten years, the opioid epidemic killed nearly 11,000 people in Illinois, according to the Illinois Department of Public Health. This problem affects people across economic, gender and ethnic lines. Rural Illinois is at risk as much as the urban areas. There has also been a strong emphasis on outpatient treatment, which is included in the State Opioid Action Plan. More residential treatment centers and post-treatment services are needed.

The state has secured \$40 million in federal funds to provide a 24-hour help line and equip first responders with **overdose reversal medication**. Since the task force was established, changes include the requirement for prescribers to document an attempt to check the Prescription Monitoring Program for prescriptions.

Even with that infusion of money, rural law enforcement and health officials agree that lack of funding in rural areas is limiting the ability to respond. Starting in the mid-2000s, drug misuse, particularly methamphetamine use, ramped up in rural communities. Then opioids, legal or not, started to take hold, compounding into the crisis seen today. It's having a profound effect on law enforcement and the medical community in rural Illinois.

Another continuing goal is to explore best practices regarding the use of alternative health delivery models. Of particular interest is the status of **telemedicine**. Southern Illinois University (SIU) is a significant leader as the SIU School of Medicine has taken a major role in providing health care from a remote site to some of the underserved parts of rural Illinois.

Currently, twenty or more clinical specialties around the state are using telemedicine to improve access to care. Rural populations are benefiting from increased access to pulmonary medicine, rheumatology, neonatology, infectious disease, mental health, and cardiology. There are several school-based and public health department projects in the works for 2018-19. The state has seen a reduction in the cost and an improvement in quality for transfers from rural areas for patients with stroke, high-risk OB, and newborns with problems at birth.

One of the factors limiting the use of telemedicine is the lack of access to broadband internet. The SIU School of Medicine Office of Population Science and Policy (2018) recently reported:

"According to the Federal Communications Commission, about 56 percent of rural Illinoisans don't have access to broadband internet. This lack of high-speed connectivity creates significant barriers to connectivity. Not only are rural residents faced with slower, more expensive internet services, but they miss out on opportunities that come with high-speed

internet access. Missed opportunities include work from home positions, online education and degree opportunities and telemedicine services that could make a real difference in the physician shortage that many of Illinois' rural communities face."

Cellular service has attempted to make up the difference in access to high quality telecommunications that will process video, but a significant area of the state still does not even have cellular coverage.

While both statewide and national lawmakers are considering technology upgrades, a quick fix seems unlikely. Until then, access to high speed internet is another rural/urban disparity that must be considered and thus a concern for the Health Working Group in improving the health of rural Illinois residents.

Another limiting factor has to do with **nurse licensure**. Currently, nurses in Illinois are limited by their license and may only provide health care including telemedicine to patients physically located in Illinois at the time the care is rendered. But, for people in rural areas, the closest site of care or their preferred medical provider, may be located in another state. Therefore, a rural patient who comes to Illinois for care may not receive follow-up telemedicine from a nurse who is only licensed in Illinois, limiting access to care. Similarly, if an Illinois resident receives care in another state, they are not likely to be able to access telehealth as a follow-up.

Currently, 30 states—including the Illinois boarder states of Wisconsin, Iowa, Missouri, and Kentucky—participate in the Nurse Licensure Compact, which allows a nurse licensed in one compact state to practice in all compact states. If we are going to increase healthcare access for those in rural areas, and expand telehealth availability, adopting the Nurse Licensure Compact legislation is a key piece of the equation.

3.4 EDUCATION WORKING GROUP

In broad terms, the Education Working Group has focused on education accessibility for rural students. There has been a persistent gap in the resources allocated to rural versus urban schools in Illinois. The primary reason for this gap is the heavy reliance on property tax revenues in Illinois to fund local public school system. Suburban school districts with a significant manufacturing and retail economic base can raise significant levels of property tax revenues with relatively low tax rates because property values are so high. In many downstate and rural communities, residents pay disproportionately more in property taxes but are not able to raise comparable levels of tax revenues per student. Consequently, rural schools simply do not have the same ability hire the best teachers, offer a diverse set of quality courses, or provide quality extra-curricular activities at the same level as their urban and especially suburban counterparts.

In order to reduce the rural-urban gap in education quality and accessibility, the Education Working Group (EWG) and the Office of the Lt. Governor have been collaborating on a series of initiatives over the past three years to rural accessibility to quality education and other services. First, the EWG worked to raise the challenges confronting rural schools by inviting the executive director of the Association of Illinois Rural and Small Schools (AIRSS) to the 2018 rural economic development conference held in Springfield. The point is that schools are an integral part of any community economic development strategy because current students are future business owners and employees. The AIRSS is an advocate for better rural school funding as part of a larger rural development strategy.

Second, the EWG has promoted youth entrepreneurship by collaborating with the CEO program. Representatives from the CEO program have participated in previous GRAC meetings. The EWG engaged CEO

representatives to see if the curriculum, which focuses on non-farm entrepreneurship, could be adapted to promote value-added agriculture and on-farm entrepreneurship.

A third initiative focused on the role of schools as anchor institutions in rural communities. Schools are more than simply institutions of learning; they are the center of rural community life. Many students come from low-income families, and schools serve as de facto social service agencies as they provide hot breakfasts and lunches. School nurses provide health care oversight. Teachers as mandatory reporters monitor students for neglect and abuse. The EWG offered the idea to other GRAC members that schools could work with agencies such as DHS to help get students and their families get signed up for other social assistance programs. In other words, schools could help families gain better access to social services.

The Office of the Lt. Governor, with support from the EWG, has worked to explore how technology can help rural students gain access to Advanced Placement (AP) courses. Universities in Illinois have a strong record of accepting AP courses for college credit. The larger the number of AP courses a student can take, and perform well in those courses, the less expensive college will be.

Traditionally, however, suburban schools have been able to offer a wider selection of AP courses compared to rural schools. That means that suburban students are essentially paying lower tuition costs, making it easier to attend college or university. The Office of the Lt. Governor is currently running an experiment in 10 rural school districts to determine if students taking AP courses online perform as well as students taking AP courses in a brick and mortar school setting. Results are not due until fall 2018. If students are performing as well in online AP courses, this could narrow the educational access gap for rural students.

3.5 MODERNIZING LOCAL PUBLIC SERVICE DELIVERY

The Northern Illinois University (NIU) Center for Governmental Studies (CGS) is working with the Office of Lt. Governor Sanguinetti and several GRAC member agencies on a *Modernization Guidebook* to assist local officials in adjusting arrangements for delivering public services. This Guidebook is useful for several reasons. First, Illinois Department of Public Health population projections to 2025 show that 50 percent or more rural Illinois counties will lose population and, in some instances, by substantial amounts. In addition, the projections show major growth in number of elderly who may require additional and more specialized services. Shrinking populations, a higher share of elderly, a stagnant economic base, and rising pension costs will bring significant fiscal pressure to many local governments. Many rural counties will face difficult fiscal times and will have to find less expensive ways to provide the high quality services needed to attract and retain populations.

Fortunately, the Task Force on Governmental Consolidation and Unfunded Mandates in 2015, chaired by Lt. Governor Sanguinetti, brought legislative changes providing more latitude for local public officials and taxpayers to restructure arrangements for delivering local public services, which is crucial in a period, when fewer taxpayers must meet rising costs. The combined efforts by CGS and GRAC will provide access to data needed by local agencies in evaluating alternatives for service delivery in the next five to seven years. The Office of Lt. Governor has compiled examples and promising practices in a large number of governmental agencies that have documented cost-savings through collaborations, mergers, and other local approaches. Other states such as Ohio and Wisconsin also have similar information and some of these examples can be adapted to meet conditions in Illinois.

The electronic-based *Guidebook* helps local groups follow six steps in determining how they

can adjust to smaller populations and rising costs. First, elected officials can form a Local Efficiency Assessment Planning (LEAP) team including a cross-section of leaders from businesses, public agencies, and private groups to organize a countywide modernization initiative. Second, the LEAP team examines population trends and costs in 2025 to provide necessary services at desired quality levels based on estimates by local agencies currently providing similar services.

Third, the LEAP team estimates the revenues expected in 2025 to finance the identified services. This information builds on expected trends in tax bases and other revenue sources available to local public officials and administrators.

Fourth, the LEAP team reconciles the expected or planned services with the revenues expected in 2025 to determine ways in which revenue inadequacies, if any, can be met through intergovernmental agreements, internal resource reallocations, adjusting the amounts of services provided, mergers of agencies, and so on. Any proposed rearrangements reflect discussions with current agency or department managers and the LEAP team.

Fifth, the LEAP team agrees on a plan of action to implement during the next three to five years so that desired services for 2025 meet expected revenues at that time. If revenue shortfalls arise, realignments of service delivery among current agencies may be necessary.

Six, the action plan created by LEAP is reviewed for statutory authority and submitted to leaders of current local governments to determine ways, and/or when, to implement the proposed action plan in a three to five year window. The implementation plan, assuming it involves countywide decisions, will require active involvement by various governmental agencies using new ways to collaborate.

Local groups using the *Guidebook* will have detailed information and data on their specific county or governmental unit available—either as part of the web-based Guidebook or by accessing other state agency websites. Materials provided include forms for working with managers of local agencies to identify internal cost-savings. The overall intent of the *Modernization Guidebook* is to help local leaders interested in finding affordable arrangements for delivering public services in an era of shrinking populations and rising costs through cost-sharing, reorganization, and other locally-driven approaches.

PART IV. GOVERNOR'S RURAL AFFAIRS COUNCIL MEMBER ACTIVITIES

4.1 Introduction

The GRAC is made up of 18 institutional, 2 *ex officio*, and 6 citizen members. The full roster of the GRAC is provided on page ii of this report. The 18 institutional and 2 *ex officio* members either have broad regional or statewide missions, whether they are state or federal agencies, nonprofit organizations, or institutions of higher education. That means that they all deliver services and complete projects in rural Illinois. This part of the GRAC report documents recent efforts by many of the GRAC member organizations to deliver services in rural Illinois.

4.2 ILLINOIS COMMUNITY COLLEGE BOARD (ICCB)

Of the 48 Illinois community colleges, 18 (37.5 %) of them are considered “rural.” Several Illinois Community College Board (ICCB) initiatives provide education and training opportunities for Illinois’ rural community college students and communities. Of those initiatives, the Adult Education Strategic Plan, Integrated Education and Training (IET), and two Career and Technical (CTE) enhancement grants are highlighted below.

Adult Education Strategic Plan (AESP)

The ICCB recently completed the creation (with adult education providers, many partners and the Illinois Community College System) of a 5-year strategic plan designed to ensure that Illinois Adult Education creates learning opportunities that align with statewide education, training, and employment strategies. This ensures that all adult learners have access to services that are cohesive, coordinated and innovative resulting in better economic opportunities, greater equity, and sustainable career pathways. Adult Education continues to create innovative strategies that address the needs of the residents in the most rural 62 counties.

- Improve Outcomes by Scaling effective Models and Strategies Across the System.
- Increase Postsecondary Transitions and Credential Attainment.
- Strengthen College and Career Readiness.
- Develop Lifelong Career Pathway Systems and integrate Enabling Technologies.

How does the AESP benefit rural communities?

- Improves outcomes by scaling effective models and strategies that benefit rural communities across the system. Adult Education programs in rural communities collaborate with local community partners to ensure that there are comprehensive student support services to assist students to overcome barriers to education, training, and employment.
- Ensures students of rural communities have access to postsecondary education and earning credentials that are in demand within their region. Adult education works with local workforce boards to ensure that Integrated Education and Training Programs (IET) align with emerging regional sector industry needs and results in student employment.
- Provides curriculum and instruction that strengthens a student’s college and career readiness. Adult education provided Essential Employability Skills (EES), and College and Career Readiness Standards (CCRS) to ensure that students have the skill sets necessary to satisfy local employer needs and, ultimately, stimulate economic growth.

- Encourages the utilization of enabling technologies that provides rural students options to overcome transportation and scheduling barriers by accessing instructional resources through online curriculum, mobile technology, and satellite technology in rural communities.

Integrated Education and Training Initiatives

Integrated Education and Training (IET) is a service approach that provides adult education and literacy concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purposes of educational and career advancement (WIOA Section 203 (11) and is comprised of three components: adult education and literacy activities, workforce preparation activities and workforce training. The IET provides an opportunity for adult education students working towards their high school equivalency to also work towards an industry –recognized credential that is in demand and earn college credit at the same time. The industry depends on the employment and training needs of the district where the IET is offered.

How does IET benefit rural communities?

- Offers training for employment opportunities in the area where the student lives.
- Provides a cost-savings for rural students as they can earn college credit and their high school equivalency at the same time.
- Encourages employers to stay in the area as they see recognition and response to their needs.

Rend Lake College is conducting an Allied Health IET. In close partnership with the RLC nursing program, students who do not yet have their high school equivalency (HSE) are working towards an industry-recognized credential while

working towards their HSE. They are receiving college credit while they are co-enrolled. Through collaboration with the employer partners on the Career and Technical (CTE) Advisory Boards RLC is ensuring that the training meets the needs of the employers.

Lakeland College offers a manufacturing IET designed to meet the needs of industry in the LLC district. Students receive college credit towards an industry- recognized credential while pursuing their HSE. The CTE Advisory Boards provide support and affirmation that the training meets the needs of area manufacturing.

Black Hawk College Computer and numerical control (CNC) IET provides the opportunity for adult education students working on their HSE to also obtain an industry –recognized credential in CNC - a highly in-demand credential. The need for this credential has been validated by employers on the CTE Advisory Board.

Career and Technical Education (CTE) Dual Credit Enhancement Grant

Through this grant, colleges are able to create and implement innovative strategies and practices through: planning and implementing new dual credit offerings in existing locations based upon student needs and with local partnerships; new dual credit offerings where it has never been conducted; or to develop instructional models that have not been implemented in the districts. They were also to engage secondary and postsecondary faculty in curriculum alignment and articulation activities related specifically to current and new dual credit offerings.

The colleges were to support the recruitment efforts of qualified faculty to teach dual credit and qualified students to enroll in dual credit and provide professional development to dual credit faculty and administrators. Lastly, they were to assess the effectiveness of dual credit

programs through the development of or investment in evaluation metrics and methods. Specifically, this grant enables community colleges in rural areas to expand their dual credit offerings to area high schools through distance learning methods to address distance barriers. Funded colleges received no more than \$10,000 each for activities to complete during FY2018. ICCB funded twelve colleges including the following community colleges that serve significant rural areas.

How does Dual Credit benefit rural communities?

- Creates a pipeline for rural high school students to gain college credit.
- Offers higher education affordability to rural high school students.
- Enables rural high schools to offer courses they may not be able to offer on their own.

John Wood Community College continues to develop its Smart Start program for high school students to take college-level courses during the regular school day and introduce the flexibility of online college-level classes. The college also plans to develop and introduce Accelerated College Concepts for an Associate program as well as a CTE program.

McHenry County College is focusing on planning and implementing new dual credit offerings. This includes culinary and plant science. The college is also developing, supporting and utilizing innovative instructional models that have not been attempted in dual credit by supporting the training of current high school teachers who teach CDM 110 Computer Literacy for Windows.

Rend Lake College is expanding dual credit courses in the Zeigler Royalton district. Last year 383 credit hours were earned by students in dual credit courses, which allowed savings of \$36,000 for the school district. The new Dual

Credit offerings provide the opportunity for partnerships to grow and better serve the rural region Rend Lake College serves.

Illinois Eastern Community Colleges - Frontier Community College works with high school principals, counselors and students to determine academic dual credit needs. Career and Technical advisory committees relay employment trends in the area. Because of discussions, there is a need for skills and competencies in Graphic Arts and Design. Frontier is introducing the Graphic Arts and Design dual credit curriculum to high schools in Illinois Eastern Community Colleges' district.

Spoon River College offers courses to high school students with SRC faculty leading the courses via distance learning technology.

Shawnee Community College is adding a new dual credit automotive class pilot program in Massac County High School. It is Shawnee's goal to develop a stronger working relationship with this school while incorporating more CTE offerings.

CTE Improvement Grant

The purpose of this grant is to support the improvement and innovation of career and technical education (CTE) programming throughout the Illinois community college system. Colleges were able to choose from three improvement project areas: curriculum development, support services for CTE students, and work-based learning. Funded colleges received no more than \$50,000 each for activities to be completed between January 1, 2018-June 30, 2019. ICCB funded ten colleges including the following community colleges that serve significant rural areas.

How does the CTE Improvement Grant benefit rural communities?

- Provides career exposure for which rural students may not have access.

- Provides students the option to make more informed career pathway choices.
- Develops models for students to complete more quickly with less cost.

Black Hawk College employs a career navigator/coach who collaborates with various external and internal partners to develop an internship program that benefits all parties. The internship program provides opportunities for Black Hawk College CTE students to develop professionally through real-world experience. Employers are able to aid in the development of the local workforce. The college is building stronger relationships with employers.

Lake Land College is undertaking the ambitious goal of becoming the first downstate Illinois community college to act as a sponsor of USDOL Registered Apprenticeship programs.

John Wood Community College is improving the college's health sciences career pathways by including a Certified Medical Assistant (CMA) certificate. The expansion provides another ladder certificate and aligns with JWCC's strategic initiatives, the Local Workforce Innovation Board's Regional Plan, as well as the Great River Economic Development Quincy Strategic Plan. Together, JWCC and workforce partners are targeting the expansion of health sciences within the JWCC district due to current documented shortages of health care professionals in key career pathway vacancies including RNs, LPNs, CMAs, CNAs and Surgical Technologists.

Illinois Eastern Community College - Lincoln Trail College provides its students a high quality educational experience through a combination of academic instruction and on-the-job learning experiences through its existing internship program. The Broadband Telecom Program is unique throughout the region and the country as it is the only one of its kind. Therefore, the opportunity exists to develop partnerships with

business/industry and to draw students from a great distance.

4.3 ILLINOIS DEPARTMENT OF AGRICULTURE (IDOA)

New Initiative

Illinois has a rich agricultural heritage that is rooted by its dedicated farm families who have harvested this land for generations. Our state was at the forefront of agricultural research and innovation even before we gained statehood in 1818.

Illinois farmers are steadfast in their commitment to deliver top notch goods and services to the market for public use and consumption. Our state is home to some of the most skilled farmers you will ever find. Those farmers, ranchers and producers bear a great responsibility to feed, fuel and clothe the world. And they do so while battling sometimes adverse conditions, a fluctuating market, and a vanishing bottom line.

The IDOA has a program that celebrates and honors Illinois farm families. To date, the Department has verified nearly 10,000 centennial family farms and nearly 900 family farms have achieved sesquicentennial status. As we celebrate our state's 200th birthday, the search begins for bicentennial farms. These families are the fabric that sustains our rich agricultural heritage, and will continue to do so for generations to come.

The Bicentennial Farm Program recognizes farms that have been held by descendants of the same family for 200 years or more. To qualify for Bicentennial Farm status, an agricultural property must have been owned by the same family of lineal or collateral descendants for at least 200 years. A lineal descendant is a person in the direct line of descent, such as a child or a grandchild. A collateral descendant is not a direct descendant, but is otherwise closely related, such as a brother, sister, uncle, aunt, nephew, niece or cousin.

Applicants who complete the form and meet all the requirements of the program receive an official farm sign suitable for outdoor display and a certificate bearing signatures of the governor of Illinois and the director of the Illinois Department of Agriculture. In addition, the family is invited to the Ag Day breakfast at the Illinois State Fair for an official photograph with the director to mark the family's historic achievement in Illinois agriculture.

Challenges

Today's youth will one day inherit a multi-billion-dollar industry, and the crown jewel of our state's economy. Studies have shown there will be 58,000 job openings within the next five years in ag-related fields; however, we are only training 35,000 individuals to fill those jobs.

Take agriculture education, as an example. Over the past five years, Illinois has had an average yearly demand for 51 secondary agriculture teacher candidates. In those same five years, Illinois has only graduated a yearly average of 16 students in agriculture education. Of those 16 graduates per year, a yearly average of 12 chose to accept an agriculture teaching position. This shortage of teacher candidates comes at a time when agriculture education in Illinois is growing. Enrollment in ag education has increased by more than 5,000 students since the 1999-2000 school year.

The agriculture industry must work together to find an answer this teacher shortage to ensure the growth and prosperity of our agriculture industry for generations to come.

About the Illinois Department of Agriculture

The Illinois Department of Agriculture is a proud member of the Governor's Rural Affairs Council. Many communities in rural Illinois depend on agriculture as a source of income and economic growth. The Department of Agriculture promotes, regulates and protects the state's agricultural industry while providing a wide

range of consumer services. The Department ensures that quality agricultural products and services are labeled accurately and sold fairly. The Department sponsors numerous promotional events; generates marketing information for agribusinesses; checks scales, gasoline pumps and greenhouses; regulates the use of pesticides; manages livestock waste; implements soil and water conservation programs; and regulates the grain, feed, seed and fertilizer industries.

The Department plays a key role in the protection of our food supply. Through the Division of Food Safety and Animal Protection, the Department licenses and inspects all establishments in which animals or poultry are slaughtered or processed for intrastate sale. Through the Bureau of Ag Product Inspections, the Department tests samples of wheat and corn from harvests to ensure our state's crops are free of mycotoxins, a mold that can potentially be harmful to animals and humans.

The Department of Agriculture is also tasked with promoting agriculture through our state and county fairs. In Illinois, county fairs are a historical tradition dating back to the 1840s. These fairs are an important source of revenue for our rural economies. In addition, the youth exhibitors at our state and county fairs are our state's next farmers, ranchers, producers, agribusiness CEOs, and small business owners. The lessons learned, and connections made, at our state and county fairs help to build character and a strong work ethic that will power our workforce.

Illinois farmers, ranchers, and producers have a great responsibility to feed and clothe the world. In order to do this, we must be good stewards of the land. The Department of Agriculture works to limit the irreversible conversion of rich Illinois farmland, and provide technical assistance to local government in developing programs for farmland protection. One of activities of the Department includes reviewing coal-mining permit applications for

reclamation techniques to ensure that mined agricultural land is returned to its original productivity. The Department also operates a statewide agricultural pesticide container recycling program and conducts unwanted pesticide collection and disposal activities to protect water quality through the Bureau of Environmental Programs. Learn more about the Illinois Department of Agriculture by visiting: www.agr.state.il.us.

4.4 ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY (DCEO)

The Illinois Department of Commerce and Economic Opportunity (DCEO) provides many programs to support economic and workforce development across the state to improve the quality of life for Illinoisans. Assistance to Illinoisans, including those in rural areas, comes from several offices, including:

DCEO's Office of Entrepreneurship, Innovation & Technology (EIT) runs twenty-one Small Business and Development Centers located across the state, many in small rural towns that help citizens with any issues pertaining to small business. These centers are focused on cultivating the ideas and potential of Illinoisans who are looking to scale up into businesses. In addition, EIT is collaborating in various agricultural and farming initiatives including Farm Illinois and the University of Illinois' College of Agriculture (ACES) to bring modernization and new technologies to rural farming areas.

Our Workforce Office delivers programs to increase assistance to areas that are experience high unemployment rates or underemployment by emphasizing apprenticeships and connecting workers to new skill training. In addition, the Workforce Innovation and Opportunity Act (WIOA) is a federally funded program designed to provide individuals who have been laid off or whose household income is at or below the federal poverty level with employment and training services. WIOA programs are designed

to benefit job seekers, laid-off workers, older youth, incumbent workers, new entrants to the workforce, veterans, persons with disabilities and employers. Illinois WorkNet Centers serve as the point of entry for delivery of services. There are success stories across the state, both individual and programmatic.

The Office of Community Development administers federal Community Development Block Grant funds for communities outside of entitlement areas that receive their own allocation from the U.S. Department of Housing and Urban Development. Grants are available for public infrastructure, housing rehabilitation, and economic development to aid in job growth and investment.

The Office of Energy Assistance administers grants for the Low Income Home Energy Assistance Program (LIHEAP) and the Illinois Home Weatherization Assistance Program (IHWAP). Both of these programs have a prominent presence in rural Illinois. The sub grantees who administer the programs provide services with a focus on client outreach and education. Energy-saving tips are given to clients, as well as physical cost-saving measures that are performed on qualifying homes. LIHEAP clients are also instructed in the area of financial literacy, which includes regular bill-paying and how to budget household income.

4.5 ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY (IDES)

The Illinois Department of Employment Security (IDES) encourages economic growth and stability by providing Employment Services to Illinois residents and employers. In addition to administering the Unemployment Insurance (UI) programs, a major component of the services offered include the collection and dissemination of Illinois' essential Labor Market Information (LMI). The LMI data captures wage records submitted by Illinois employers. LMI data includes the industry occupation, short and long-term projections, occupational wages

and employee demographic characteristics in their respective regions. The LMI prepared by IDES allows research institutions, regional planning commissions, business leaders, as well as community and economic development leaders to fully understand the nature of their workforce. This type of data monitoring and forecasting provides a better understanding of the employment characteristics and growth trends at the regional level assisting leaders in the development of public policy. LMI also provides Illinoisans an opportunity to make informed educational and professional development decisions. IDES services also help to protect against waste, fraud and abuse by ensuring the integrity of the wage reports and unemployment claims.

In the effort to connect employers with qualified employees, IDES currently provides services in 36 One-Stop and affiliate offices strategically placed throughout the state. Staff can assist job seekers with work readiness, job search assistance and referrals to partner and community services. Job Readiness Workshops are conducted regularly along with one-on-one job search assistance. Computers are made available at the local offices for job seeker use. Many of these locations provide space for employers to hold hiring events and interviews.

IDES also provides many online services that allow job seekers access to many of the same services and information available in the local offices.

The Reemployment Services and Eligibility Assessment (RESEA) Program was developed to enhance the rapid reemployment of unemployed workers. RESEA specifically targets UI Claimants that are most likely to exhaust benefits and transitioning veterans. Those selected for RESEA are required to participate to continue receiving UI benefits, but we view this as an opportunity to help claimants get back to work as quickly as possible. The RESEA program provides important wide array of resources and service in the comprehensive,

integrated workforce system established under WIOA. RESEA participants receive one-on-one services for UI eligibility review and the development of an individual reemployment plan.

The new Reality Check mobile app, offers step-by-step instructions on how to evaluate a career, obtain the education and training needed for that career through a series of questions such as, "Where do you want to live?" and "What will you use for transportation?" Then it summarizes the monthly cost of these choices and generates a list of occupations in one of 13 Illinois cities which offer a complete cross-section of possible options. Each city has a different cost of living, which will be factored into the final analysis.

Other online services include but are not limited to: the State sponsored Labor Exchange System (IllinoisJobLink.com); multi-lingual YouTube tutorials; Virtual Labor Market Information; Illinois Career Information System and IllinoisWorknet.com. To further assist employers and job seekers, IDES provides two call centers with staff available to answer questions about employment services and Unemployment Insurance benefits.

IDES has been shifting its focus from *unemployment to employment* and will serve as the preeminent employment agency to ensure quality service to job seekers, claimants as well as employers. In an effort to make the services more widely available, the Agency is developing a series of job readiness workshop videos which job seekers will be able to access from the growing suite of online services. Job seekers who register with IllinoisJobLink.com will have the opportunity to complete an employment assessment in an attempt to identify areas in which employment assistance is needed. The assessment will recommend appropriate online workshops to job seekers or direct the job seeker to attend a reemployment workshop in person at a facility of his/her choosing. The assessment tool will allow IDES staff to be

alerted of job seekers who may need more intensive services.

As of July 17, 2016 all job seekers who file for UI benefits will be required to fully register with IllinoisJobLink.com. A completed registration will allow employers access to thousands of candidates' resumes and provide claimants with extensive employment services such as free recruiters, hiring events, job fairs and more. Service delivery software platforms and websites are in the process of being updated to better serve the needs of our job seekers and employers.

IDES is an active member of the Governor's Rural Affairs Council and participates in the Work Opportunity Tax Credit (WOTC) program. Under WOTC, eligible job seekers can be *pre-certified* if they reside in one of the 22 counties classified as a Rural Renewal County. Job seekers can also be *pre-certified* if they are a TANF Recipient, Veteran, Ex-Felon, Vocational Rehabilitation Referral, Summer Youth, Food Stamp Recipient, or SSI Recipient. WOTC program has been retroactively reauthorized for five years, January 1, 2015 to December 31, 2019.

IDES has trained staff offering a full range of employment services to migrant seasonal farm workers. These services include referral to jobs; staff-assisted services; referral to supportive services, career guidance, and job development. Employment Services staff refer dislocated workers to Title 1B partners, to determine the job seekers level of interest in and qualifications for additional education and training in growth industries or high demand positions. IDES also includes representatives who participate in the U.S. Department of Agriculture's Rural Development program, *Homegrown by Heroes*, which helps to promote agriculture products grown by military veterans.

4.6 ILLINOIS DEPARTMENT OF HUMAN SERVICES (IDHS)

The Illinois Department of Human Services (IDHS) provides many programs to support rural Communities. IDHS has a broad portfolio of services that are provided on an ongoing basis with the support of community partners. The following chart list some of the primary programs focused in serving Illinois families.

- **Child Care Resource & Referral** - information for parents looking for quality childcare; and for child care providers.
- **Comprehensive Community-Based Youth Services** - provides crisis assistance to youth, 11 to 17 years of age, who have run away from home or have been kicked out of their homes.
- **Developmental Disability Services** - provide information, assessment & referral regarding developmental disabilities.
- **Domestic Violence Victim Services** - provide free and confidential services to help domestic violence victims attain safety and self-sufficiency, and to promote violence prevention through education and outreach.
- **Early Intervention** - assessment of children age 0-3 for developmental delays.
- **Family Case Management** - coordinates health and social services to promote healthy pregnancy and child development.
- **Family Community Resource Center (Family & Community Services)** - "one-stop" centers for cash & medical assistance, food stamps, and job services.
- **Family Planning** - provides medical, social and educational services related to the avoidance, achievement, timing and spacing of pregnancy.

- **Mental Health** - information, assessment & referral regarding mental health and mental illness.
- **Partner Abuse Intervention Services** - DHS protocol-approved programs for perpetrators of intimate partner violence.
- **Rehabilitation Services** - assistance for people with disabilities looking for jobs or living independently.
- **Residential School** - residential education and outreach programs for children with disabilities.
- **State Psychiatric Hospital** - for children, adolescents and adults who need publicly-funded inpatient treatment.

IDHS: Improving Performance access in rural settings thru technology and innovation:

- Technology innovation plays an important role in improving the delivery of human services and public benefits by building upon analysis to improve transparency around program performance. Technology innovation can be used to better communicate important information to residents and administrators alike, enhancing the scrutiny and decision-making of administrators, elected officials, and the public. IDHS has implemented online access to services where customers can apply via the internet. Just as innovative information technology has revolutionized commercial and social life, so, too, do new approaches to enterprise technology have the potential to help state and local human services agencies do their work more efficiently and effectively in the years to come.

IDHS is committed in developing Innovative technology tools to streamline the process of obtaining needed benefits and services, that can also directly empower individual

customers as well as families by allowing them to manage benefits and services according to their own schedules and from the privacy of their own homes. This has the potential to improve access to benefits and can remove some of the stigma and burdens traditionally associated with public benefits and services. The IDHS online application allows users to screen for eligibility for federal, state, and local benefits, apply for benefits such as health care, SNAP (Supplemental Nutrition Assistance Program), and TANF (Temporary Assistance to Needy Families).

- IDHS provides direct services thru its local offices located thru out the State and works with other state agencies and nonprofit partners to provide job training so that customers can become financially self-sufficient. IDHS in collaboration with providers and facilities help families find needed services to meet their basic needs by coordinating services with human services providers. Likewise, rural human services providers may find working with healthcare providers an effective way to identify unaddressed human service needs. Connecting human services to families at an early stage is a primary goal for IDHS to help make limited resources go further and leverage the close-knit nature of rural communities.

4.7 ILLINOIS DEPARTMENT OF NATURAL RESOURCES (IDNR)

The IDNR has a large portfolio of programs and initiatives that focus on rural Illinois. The IDNR has responsibility for conservation and preservation of wilderness areas, manages parks and recreational facilities in rural areas, enforces regulations pertaining to hunting and fishing, and provides oversight for mining operations within the state. More information can be found at the IDNR website:

<https://www.dnr.illinois.gov>.

In addition, the IDNR manages the State Historic Preservation Office. Much of Illinois's history is rooted in its rural, agrarian past. The State Historic Preservation website has a great searchable database to locate interesting buildings and other structures that reflect Illinois's rural roots. In addition, the IDNR manages several museums, including the Dixon Mounds museum which documents the lives of indigenous civilizations prior to European settlement in Illinois.

4.8 ILLINOIS DEPARTMENT OF PUBLIC HEALTH (IDPH)

The mission of the Illinois Department of Public Health (IDPH) is to protect the health and wellness of Illinois residents through prevention, health promotion, regulation, and control of disease and injury. This mission is accomplished by providing leadership for public health at both the State and federal level; identifying, analyzing and tracking health trends; defining problems and guiding public health action; delivering public health related services; and promoting health equity.

IDPH undertakes the following activities to fulfill its mission:

- Protecting the public from infectious diseases, including vaccine-preventable diseases, other communicable diseases, and the prevention and treatment of HIV and sexually transmitted infections.
- Evaluating data and identifying trends that will guide Illinois health policy.
- Ensuring environmental safety by inspecting public swimming pools, reducing the risk of vector borne diseases by monitoring insect and bird populations, and inspecting homes and other buildings to prevent lead poisoning.

- Providing leadership for food safety and sanitation, responding to complaints, and participating in food recalls.
- Regulating long-term care facilities to ensure that vulnerable populations are safe and protected.
- Working as a lead agency for emergency and disaster preparedness to ensure an immediate and coordinated response to public health emergencies.
- Providing programming and education about disease prevention and healthy behaviors to empower communities.

Two of the top strategic priorities of IDPH include preventing lead poisoning and addressing the opioid crisis in the state. Information on both of these priorities can be found on the IDPH website.

The Illinois Lead Program seeks to eliminate the incidence of childhood lead poisoning and offers assistance for case management services, education and outreach through training, and community interventions. They collaborate with numerous agencies and organizations throughout the state whose common interest is to alleviate lead exposure and assist in promoting a healthy environment.

The focus on addressing the opioid crisis is shared across offices and divisions of IDPH. The Department educates medical providers and the general public on opioids; collects data related to fatal and nonfatal overdoses, neonatal abstinence syndrome, and naloxone administration; and helps to coordinate a state response to the increase in opioid use and overdose.

The State Health Improvement Plan (SHIP), facilitated by IDPH and shared among many state agencies and organizations, outlines three major priority areas: behavioral health, chronic disease, and maternal and child health. One of

the major goals of the SHIP is to eliminate health disparities in the state.

Center for Rural Health

IDPH's Center for Rural Health (CRH) was created in 1989 to assist IDPH in achieving its mission in rural and underserved areas. CRH provides consultation and technical assistance to residents, organizations, and providers to help identify health care issues, discuss potential solutions, convene stakeholders, and implement plans of action.

CRH also collects and evaluates health professional data for Illinois. These data are used to designate Health Professional Shortage Areas (HPSAs), which help identify shortages of primary care, mental health, and dental providers. IDPH uses these designations for many purposes, including the following programs for rural and underserved areas: State Loan Repayment (SLRP), Medical Student Scholarship (MSSP), Nursing Education Scholarship (NESP), Allied Health Scholarship, Podiatric Scholarship, and J-1 Visa Waiver.

- SLRP provides funds to repay educational loans of primary care physicians, nurse practitioners, physician assistants, nurse midwives, dentists, and psychiatrists. To receive assistance, providers agree to work at a nonprofit medical facility in a HPSA in Illinois.
- MSSP provides scholarship assistance to individuals attending medical school in Illinois to become primary care physicians. For each year of assistance, recipients work a corresponding number of years at a medical facility in a HPSA in Illinois. Due to a lack of funding, the program is currently unavailable.
- NESP provides assistance to individuals pursuing a nursing degree or certificate. For each year of assistance, recipients work a corresponding number of years at a medical

facility in Illinois providing direct patient care.

- Allied health scholarships provide assistance for individuals to become nurse practitioners, nurse anesthetists, physician assistants, and nurse midwives. For each year of assistance, the recipient works a corresponding number of years at a medical facility in a HPSA in Illinois. Due to a lack of funding, the program is currently unavailable.
- J-1 Visa Waivers allow foreign medical graduates to practice for three years after completing training if they practice at a medical facility located in a HPSA in Illinois.

Other grant programs administered by the Center for Rural Health include:

- Rural Hospital Flexibility Program provides funds to assist critical access hospitals by providing funding to state governments to encourage quality and performance improvement activities including: stabilizing rural hospital finances; integrating emergency medical services (EMS) into their health care systems; incorporating population health into their strategic plan; and fostering innovative models of health care.
- Small Hospital Improvement Program assists small rural hospitals of 49 beds or less with any or all of the following: 1) enable the purchase of equipment and/or training to help hospitals attain the value based purchasing provision in the Patient Protection and Affordable Care Act (ACA); 2) aid small rural hospitals in joining or becoming accountable care organizations, or create shared savings programs per the ACA; and 3) enable small rural hospitals to purchase health information technology, equipment, and/or training to comply with meaningful use, ICD-10 standards and payment bundling.

4.9 ILLINOIS DEPARTMENT OF TRANSPORTATION (IDOT)

Transportation is the lifeblood of Illinois and the asset that distinguishes our state from the rest of the country. Our roads, transit systems, railroads and airports make Illinois the transportation hub of North America and provide us with the global economic advantage other states can only dream to have.

Our infrastructure is rich with possibilities: Illinois has the third largest interstate and bridge system. It is home to the second largest transit system and the nation's third busiest airport. It is the only state where all Class I railroads operate. The state is bordered by rivers and provides the only water connection between the Great Lakes and the Gulf of Mexico.

At the center of all this activity is the strength and economic contributions of rural Illinois. Consider: Of the 16,000 total miles of highway under the state's jurisdiction, almost 10,500 miles serve a rural population. Passenger rail connects 25 communities Downstate, drawing a direct line between the state's great institutions and serving as a catalyst for tourism and economic opportunity. The state's aviation system is one of the largest in the nation, comprised of more than 830 individual landing facilities, from O'Hare International Airport in Chicago to municipal general aviation airports and private grass strips in farm fields.

The Illinois Department of Transportation strives to build connections between urban and rural through all of these modes. To that end, IDOT aims to support and strengthen the state's rural population and economy through a variety of means, projects and programs.

- IDOT will announce a call for projects with the amount of \$500,000 on a competitive basis in June to rural planning organizations for assistance in transportation planning.

Another \$500,000 in rural planning funds will be distributed in FY20.

- The agency is developing an Illinois Aviation System Plan and economic analysis to assist with providing direction for the state aviation system for the next 10-20 years.
- The Long Range Transportation Plan was released in April 2018. The plan defines objectives, identifies implementation strategies and sets measures for tracking progress.
- IDOT also developed modal plans including a rail plan and freight plan, which dives deeper into the policy goals set out within the Long Range Transportation Plan.
- IDOT's Office of Intermodal Project Implementation and Office of Planning and Programming worked together to develop a Transit Plan for downstate transit agencies. This plan involved receive general transit feed specifications for all downstate transit providers allowing the transit providers schedule to be included in google maps.
- The Division of Intermodal Project Implementation's Downstate Capital Program consists of a variety of transit projects in rural communities, from facility construction to bus repairs and computer purchases. Construction projects include bus storage facilities, multimodal stations, as well as maintenance, administrative and dispatch facilities.
- The Consolidated Vehicle Procurement program exists as IDOT's chief capital program for equipping service providers – many serving rural populations – with rolling stock that can serve riders with disabilities. For many in communities with no transportation options, these vehicles are the only means to leave home in rural Illinois. In 2017, the program distributed

awards for approximately 130 vehicles leveraging approximately \$6 million in combined federal and state funds.

- IDOT's Office of Planning and Programming released \$225 million of federal freight funds to local sponsors throughout the state to be competitively selected allowing rural areas to apply for \$225 million of funds for improving freight movement throughout the state.

On the highways and passenger rail sides of IDOT, several major projects were recently completed or under construction that will maintain a flow of commerce in rural areas for generations to come.

- The new U.S. 52-Illinois 64 bridge linking Savanna and Sabula, Iowa, opened last November. Located about 150 miles west of Chicago, the old bridge was constructed in 1932 as a private toll bridge. The previous bridge was just 20 feet across with no room for shoulders, a notorious safety concern because it was too narrow to accommodate bicycles or disabled vehicles. Large trucks often overlapped into the opposite lane, a situation that could create traffic headaches during harvest season. By simply doubling the width of the bridge, transportation in a relatively isolated and rural part of the state is safer, more reliable and functioning much more smoothly.
- Last spring, construction started on a new Illinois 178 bridge just north of Starved Rock State Park in Utica. The Illinois 89 bridge over the Illinois River near Spring Valley also is under construction, with a 2018 completion date.
- The Chicago-St. Louis passenger rail improvements were substantially completed in 2017. By working with host railroad Union Pacific, IDOT will allow Amtrak to eventually reach speeds of 110 mph – up from the conventional 79 mph

and an hour reduction on a one-way trip. New stations with many features that enhance the customer experience, such as climate-controlled waiting areas, Wi-Fi and connections to bike trails, were built in Dwight, Pontiac, Normal, Carlinville and Alton as the centerpieces of downtown redevelopment efforts. The station in Lincoln was part of a historic restoration that locals envision as a new gateway for tourism.

In mostly rural locations, major safety upgrades were made at 203 grade crossings by installing four-quadrant gates and loop sensors to detect vehicles on the tracks when trains are approaching. In addition, 39 crossings deemed at-risk have been permanently closed.

- Progress is continuing a replacement for the 75-year-old structurally deficient and functionally obsolete bridge that carries Illinois 104 across the Illinois River in Meredosia. The \$75 million project is expected to be open in the summer of 2018. This is the first tied-arch bridge undertaken by IDOT in decades.

4.10 ILLINOIS DEPARTMENT ON AGING

The Illinois Department on Aging was created by the State Legislature in 1973 for the purpose of improving the quality of life for Illinois' senior citizens by coordinating programs and services enabling older adults to preserve their independence as long as possible. It is the single State agency in Illinois authorized to receive and dispense Federal Older Americans Act funds, as well as specific State funds, through Area Agencies on Aging and community-based service providers.

The legislative mandate of the Illinois Department on Aging is to provide a comprehensive and coordinated service system for the State's more than two million older adults, giving high priority to those in greatest need; to conduct studies and research into the

needs and problems of the elderly; and to ensure participation by older adults in the planning and operation of all phases of the system. In fulfilling its mission, the Department responds to the dynamic needs of society's aging population through a variety of activities including:

- Planning, implementing and monitoring integrated service systems;
- Coordinating and assisting the efforts of local community agencies;
- Advocating for the needs of the State's elderly population; and
- Cooperating with Federal, State, local and other agencies to develop programs and initiatives.

Area Agencies on Aging

The state of Illinois is divided into 13 Planning and Service Areas (PSAs). The Department on Aging designates one Area Agency on Aging (AAA) for each PSA. In Illinois, 12 not-for-profit agencies and one unity of local government serve as Area Agencies on Aging. Each AAA is responsible for planning, coordinating, and advocating for the development of a comprehensive and coordinated system of services for the elderly and caregivers within the boundaries of the individual PSAs. The Department's major program and services provided annually include the following:

- Community Care Program (CCP). The CCP helps senior citizens to remain in their own homes by providing in-home and community-based services. Enrollment in CCP has significantly grown over the past 10 years due to the aging of the population in Illinois. It is estimated that approximately 73,000 older adults will receive services through CCP each month. Services offered through CCP include case management,

adult day service, emergency home response, and homemaker services.

- Adult Protective Services (APS) Program. The APS Program responds to reports of alleged abuse, neglect, and exploitation of older adults and adults with disabilities who live at home and work to resolve the abusive situations. The APS Program received 16,507 reports of abuse, neglect and exploitation in 2017.
- Long Term Care Ombudsman Program (LTCOP). The LTCOP provides a forum for senior citizens to advocate for their rights. Senior citizens or their advocates can contact the LTCOP if there are problems with services provided.
- Senior Health Insurance Program (SHIP). SHIP is a free statewide health insurance counseling service for Medicare beneficiaries and their caregivers. SHIP currently has 350 offices throughout the state staffed by a total of 1,000 counselors. SHIP counselors are certified to perform personal searches using the Medicare plan finder tool, comparing Medicare prescription drug plans and Medicare Advantage plans in order to facilitate the best choice for receiving Medicare benefits. In 2017, the Illinois SHIP counselors assisted over 125,000 Medicare beneficiaries and provided outreach and education about Medicare benefits and choices for Medicare coverage during 2,100 events such as community presentations and information exhibits. SHIP activities align with the Illinois Department on Aging's mission to help older individuals maintain their health and independence while remaining in their home and communities.
- Older Americans Act Service Program. The AAAs and their service providers across Illinois provide an array of services to meet the individual needs of older persons which include, but are not limited to access

services such as transportation, in-home services such as home delivered meals and housekeeping, community-based services such as congregate meals, family caregiver services such as respite support and counseling, and the Senior Community Service Employment Program, which provides job training and support for senior citizens seeking employment.

4.11 ILLINOIS ENVIRONMENTAL PROTECTION AGENCY (IEPA)

Bureau of Water, Helping Rural Municipal Wastewater Treatment Plants

The mission of the Illinois Environmental Protection Agency is *“to safeguard environmental quality, consistent with the social and economic needs of the State, so as to protect health, welfare, property and the quality of life.”* Through the Illinois EPA’s Bureaus of Land, Water and Air, Illinois EPA works to safeguard the state’s natural resources from pollution to provide a healthy environment for its citizens. By collaborating with businesses, local governments and citizens, Illinois EPA is dedicated to continued protection of the air we breathe, our water, and land resources. A new program in the Bureau of Water aims to specifically address the protection of Illinois’ rivers, lakes and streams and ultimately the citizens in rural Illinois. The Small Municipal Systems Compliance Assistance Program (SMSCAP) is a program addressing compliance issues at small wastewater treatment plants. When a wastewater treatment plant is out of compliance with state or federal requirements, there is a significant potential for harming Illinois waterbodies and posing a public health risk.

Illinois EPA has found that small wastewater treatment plants tend to be economically disadvantaged, under-served and resource-poor, the facility and municipality are faced with maintaining, operating and building or upgrading plants. Consequently, small plants

are often not meeting permit requirements (known as National Pollution Discharge Elimination System [NPDES] permit) and subsequently may face enforcement actions. Typically, small plants are defined as those plants that serve communities of 3,300 or less which leads to common challenges of economic limitations, lack of technical or managerial competency and aging facilities and technologies.

Of the 518 small systems that have been identified as a small system for this program, 65% of the systems are in defined rural counties. Furthermore each one of the 66 defined rural counties houses at least one facility meeting the definition, two counties have only one facility (Edgar and Scott) and Bureau County has the most with fourteen small systems throughout the county. As the program began (2017), the Agency identified a subset of the universe of small systems. The program began by targeting those facilities that currently have chronic or Significant Non-Compliance issues (SNC) - facilities that have the highest potential to become formal enforcement cases. The Agency’s objective is to resolve, hopefully outside the formal enforcement process, these non-compliance issues.

The goal of SMSCAP is to improve water quality in Illinois’ lakes, rivers and streams by providing compliance assistance to small wastewater treatment plant operators thus enabling the plant to obtain or maintain compliance where possible, with the terms, conditions and limits in the operating permit. Illinois EPA is targeting facilities that are not in compliance or soon will be out of compliance. If a small facility is willing to work with the Agency, staff will provide technical assistance to help determine the potential cause(s) and possible resolution(s) to the non-compliance issue(s). Upon entering the program, a team will be established consisting of agency staff, the plant operator and, if appropriate, municipal leaders to strategize a resolution(s) to the non-compliance issue(s).

Illinois EPA will lead the team in developing a Facility Specific Compliance Action Plan (FSCAP) and will monitor the implementation of the FSCAP by the facility. The development and implementation of the FSCAP will be accomplished by coordinating and administering both internal and external resources and it will require full commitment from community officials, superintendents and plant operators to be successful.

For a small facility under SMSCAP, Agency staff will provide an on-site in-depth evaluation of the plant. This will include characterizing and sizing of the facilities treatment units to evaluate capacity and current Operations and Maintenance (O & M) practices. The evaluation will also identify the potential Performance Limiting Factors (PLFs) that are attributing to the non-compliance issue(s). From this evaluation, the team will begin to develop the FSCAP or action plan to address the problems identified. The plan will address the facility, equipment and treatment processes (current and future); training and operator assistance (current and future needs), offer reporting assistance and asset management as well as identify potential funding sources if funds might be needed, now or in the future. With the action plan in place implementation and compliance monitoring will occur. This multi-phased approach will generally employ low cost, economical solutions, such as training, optimization of current treatment units and improvements in O & M prior to more costly solutions being considered.

Illinois EPA is proud of this new program that protects Illinois waters while working with economically disadvantaged, under-served, and resource-poor municipalities. Forcing a municipality into formal enforcement when the capacity for improvement is not available will not resolve the non-compliance issue(s). Giving the municipality, the tools needed for improved capacity is a sustainable approach that benefits all of Illinois.

4.12 ILLINOIS FINANCE AUTHORITY

IFA Background and Organization

Since our creation in January 2004, the Illinois Finance Authority (IFA) has provided access to low-cost capital to public and private institutions that are aligned with our mission of fostering economic development, creating and retaining jobs, and improving quality of life for Illinois residents. To date, our conduit financing programs have spanned every county and helped capitalize thousands of projects, assisting farmers and agri-businesses, business and industry, school districts and higher education institutions, healthcare facilities, cultural and social entities, and local governments develop, upgrade, expand, and sustain their operations and services.

IFA is a body politic and corporate of the State of Illinois created through the consolidation and elimination of seven State authorities and entities. We are authorized by the Illinois Finance Authority Act to issue tax-exempt and taxable bonds and to make and guarantee non-conventional loans. We do not receive appropriated funding from the State and operate at no cost to the taxpayer.

Governing the IFA is a fifteen-member, non-paid Board appointed by the Governor and confirmed by the Senate. Leading the IFA team is the Executive Director, who is nominated by the Governor and appointed by the Board. The Board of Directors, the Executive Director and the IFA staff offer a breadth of combined experience in economic development, industrial development, small business management, real estate development, housing, health facilities financing, local government financing, infrastructure financing and public-private partnerships.

New & Refined IFA Participation Programs

IFA is proud to announce the new and redefined Participation Loan Program (PLP). As of 2018, IFA has implemented a “New Participation Loan Program”. IFA assists Illinois businesses that create or retain jobs by offering its PLP in conjunction with the Banks.

Through this program, the Authority will directly purchase from the borrower’s Bank up to the lesser of: a) 25% of a total project, b) 50% of a specific loan within the total project, c) or \$500,000 up to 10 years. The Authority PLP is subordinated to the Bank and incorporates a “below market interest blended/weighted interest rate. The interest rate applicable to IFA Standard PLP program is 1.00% below the Bank’s interest rate. These loans are available to support the financing of business start-up costs, working capital, business procurement, franchise fees, equipment, inventory, as well as the purchase, construction, renovation, or tenant improvements on an eligible place of business, that is not for passive real estate investment purposes.

Also, IFA has a *Veteran / Minority / Women / Disabled-Owned Business Participation Loan Program* (VMWD PLP). This program is similar to the above Standard PLP; however, under IFA’s VMWD program, IFA is willing to consider participating up to the lesser of: a) 40% of the project’s total cost, b) 50% of a loan facility within a larger overall project, or c) \$300,000 for up to 7 years. The VMWD PLP is subordinated to the Bank and incorporates a “below market interest blended/weighted interest rate. The interest rate applicable to IFA VMWD PLP program is 1.5% below the Bank’s interest rate.

These programs provide excellent opportunities for communities, providing encouragement to VMWD to be part of the community.

IFA Rural Area Financing

Serving Illinois’ diverse farm and agri-businesses, IFA provides access to low-cost capital to help seed, grow and sustain your business. The IFA agriculture team offers the market expertise and flexibility to match the right program to client needs – whether they are a beginning farmer or an established producer seeking financing to purchase land, diversify or expand their enterprise, or working to consolidate or restructure debt.

One of IFA’s more popular programs is the Beginning Farmer Bond. This program offers the Originating Bank the opportunity to obtain tax-exempt funds to Beginning Farmers for the purchase of farm real estate. Being tax exempt, the bank can pass the savings to the young Beginning Farmer. IFA’s hopes their programs will retain productive and profitable farmers in local communities, that will contribute back to the community in the future. In 2017, IFA’s Board approved 22 requests relating to 1,251.93 acres in 11 counties in Illinois.

Under the Agricultural Programs, IFA supports several types of projects including a farmer’s debt restructuring loan guarantee, specialized livestock loan guarantee, farmer’s working capital guarantee, young farmer guarantee, and the agri-industry guarantee. IFA’s focus is to help farmers succeed by mitigating risk, and allowing banks to offer lower rates.

Education

As stated above, IFA offers bonds relating to education. An example of IFA’s involvement in the rural area would be a \$15,000,000 Bond relating to the school district in Harrisburg, Illinois in 2016. IFA has also been involved in financing of renovation and expansion in several universities throughout Illinois.

Medical

IFA has financed several renovation and expansion projects of larger hospital groups throughout Illinois. IFA is also involved in smaller community hospitals such as Passavant Hospital in Jacksonville, Illinois, a \$22,000,000 Bond for a renovation and expansion project. Also, in previous years, IFA financed the Southern Illinois Healthcare system for over \$120 million.

Government

Recently, IFA has developed a pilot program for Local Government Loan Program to help meet the need of capital purchases of small government needing less than \$1.5 million. The repayment of these loans will be designated funds pledged by that local government's source. As stated, this is currently in the pilot stage.

In 2013, IFA approved a local government loan to the Village of West Salem not to exceed \$150,000, subject receipt of a grant of \$387,000.

Other Programs

Recently, IFA has been approved to provide guarantees on Veterans' business loans originated by local Community Banks. This program is similar to IFA's agricultural Guarantee program. However, as this is a new program the guidelines and requirements are being developed.

IFA has several products that might meet your community needs, including the following:

1. USDA Relending Rural Development Loans.
2. Participation Loans.
3. Industrial Revenue Bonds

IFA is very proud to be able to help local community through the *Fire Truck Revolving Loan* and the *Ambulance Revolving Programs*. These programs are designed to provide zero percent or low-income loans to communities for purchase of Fire Trucks and Ambulances. The Office of the State Fire Marshal provided the funds with IFA completing the credit approval and allocation of funds for the purchase.

In 2017, IFA awarded twenty-five (25) Fire Departments or Protection Districts a total of \$7.2 million to the purchase of a fire truck within their communities. These loan requests ranged from \$60,000 to \$350,000. Since 2005, IFA has awarded more than 178 fire Departments or Protection Districts a total of \$32.5 million.

In 2016, IFA reviewed and approved 17 applications for a total request of \$1.7 million for local communities' ambulance purchases. Since the beginning of this program in 2009, IFA has awarded 25 departments for a total of \$2.4 million. Learn more about the IFA here: <http://www.il-fa.com>.

4.13 ILLINOIS HOUSING DEVELOPMENT AUTHORITY (IHDA)

Home Ownership: From January 1 through December 2, 2017, IHDA approved 818 loans in 54 rural Illinois counties totaling over \$79 million in funds to assist rural Illinois homebuyers. These were made through IHDA's @Home Illinois Program. In late 2016, \$9 million was also awarded to local programs to provide homeowner rehabilitation assistance to 294 units, primarily in rural communities. This was done through IHDA's Single Family Rehabilitation Program and the Home Accessibility Program, part of the Illinois Affordable Housing Trust Fund (see below).

Multi-Family: From January 1 through December 31, 2017, IHDA's Board approved financing and federal tax credit allocations of approximately \$53.5 million for 8 rental housing projects for family, elderly, homeless and special needs populations in rural communities of Illinois. These funds will help develop multi-family/rental housing projects in nine different rural communities, located in the following eight counties: Virginia (Cass); Arcola (Douglas); Paris (Edgar); Altamont (Effingham); Greenfield and Roodhouse (Greene); Carbondale (Jackson); Galena (Jo Daviess); and Mendota (LaSalle). These projects will create or preserve 392 units of affordable housing for low-income residents residing in these rural communities.

Low Income Housing Tax Credit (LIHTC)

Program: An allocation of Low-Income Housing Tax Credits (LIHTCs) to a proposed affordable housing development can help to generate sufficient amount of equity for the development. IHDA's Multifamily Finance Department allocates the LIHTCs through a federally required Qualified Allocation Plan (QAP), which is generally determined by geographic area, which includes Non-Metropolitan (Including Rural Areas). As part of IHDA's program and policies, the Low Income Housing Tax Credit program set aside 20% of its funding in 2018 (approximately \$4.7 million/per year) toward projects located in non-metro areas.

Illinois Affordable Housing Trust Fund (IAHTF):

The Illinois Affordable Housing Trust Fund (IAHTF) was established to provide grants, and loans for the acquisition, construction, and rehabilitation of multi-family and single family developments. There is a set-aside policy of 15% of the Illinois Affordable Housing Trust Fund targeted to non-metro/rural areas. IHDA statewide programs funded in late 2016 through IAHTF included the Single Family Rehabilitation Program (\$6 million, with 15 of the 21 project sponsors primarily serving rural communities) and the Home Accessibility Program (\$3 million, with 9 of the 15 project

sponsors serving a majority of rural communities. Subsequent funding rounds for these two important programs may be announced later in this calendar year, based on grantee progress and funding availability.

Rural Housing Technical Assistance: IHDA is committed to expanding the capacity of rural communities across Illinois to identify and meet their local housing needs and empowering those communities to take steps to meet those needs. IHDA employs two full-time Community Revitalization Planning Specialists (CRPSs) who are available to work with communities to discuss their current or desired plans for promoting revitalization and development. These efforts can help communities link to existing efforts, identify strengths and needs within the community, and generate a Community Revitalization Strategy process that may connect them to available educational, professional, and financial resources, and produce more competitive applications under IHDA's Low Income Housing Tax Credit (LIHTC) program. For information regarding Technical Assistance for planning, please reach out directly to Amy Bashiti (abashiti@ihda.org / 312-836-7438 or Emily Mueller (emueller@ihda.org / 312-836-7460.)

Other Rural Housing Programs:

- **Hardest Hit Fund (HHF)** - A Treasury Department- funded program. Its major feature is the Homeowner Emergency Loan Program (HELP), an emergency mortgage assistance program for homeowners to prevent foreclosures. HELP has provided emergency mortgage assistance funding of up to \$35,000 per eligible applicant to prevent foreclosure for 3,221 households since August of 2016, as of December 31, 2017. The initial funding under this program helped over 13,000 households.
- **I-Refi** -A refinancing program for homeowners with "underwater" mortgages, which is also funded through HHF.

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- **Foreclosure Prevention Program (FPP)** - A State-funded program that provides grants to HUD-approved housing counseling agencies and community-based organizations to support housing counseling and foreclosure prevention outreach. FPP is funded through a foreclosure filing fee, 50% of these funds collected are allocated to HUD-approved housing counseling agencies ("HCAs") and community-based organizations ("CBOs") which are located outside of Chicago. There are 26 such organizations currently funded (13 in each category) which primarily serve countywide or multi-county areas as well as rural communities.
 - **Abandoned Property Program (APP)** - A State-funded program to assist municipalities and counties with maintenance, demolition, and/or rehabilitation of abandoned homes, primarily due to foreclosures. This program is funded through foreclosure filing fees, and currently has allocated over \$2.1 million to 38 grantee municipalities and counties located outside of the Chicago metropolitan area, with 25 of these grantees being in rural counties or rural communities.
 - **Blight Reduction Program (BRP)** - Also funded through HHF, BRP provides funding to local governments working with non-profit partners for real property acquisition and redevelopment of vacant and abandoned residential properties. BRP is authorized by Treasury as part of IHDA's Hardest Hit Fund program, and provides funding to municipalities and counties, which jointly collaborate with non-profit organizations to acquire and redevelop abandoned and foreclosed properties. In its most recent funding round, the following local governments were among those assisted: Centralia, Danville, Freeport, Macomb, and Winnebago County.
 - **Land Banking Capacity Program (LBCP) and Technical Assistance Network (TAN)** - A recently established, new program funded through mortgage foreclosure settlement funding administered by the Illinois Attorney General's Office, it allows IHDA to fund the creation and operation of local land banks for affordable housing development.
 - **Rental Housing Support Program (RHSP)** - A State-funded, unit-based rental assistance program targeted to very and extremely low-income households. Administered by Local Administrative Agencies. Also includes separate Long-Term Operating Support funding for specific targeted projects. This State-authorized rental assistance program is funded through a mortgage recording fee, and is operated by Local Administrative Agencies (LAAs). Of the 14 LAAs currently being funded, 8 of them either fully or partially serve non-metropolitan areas of Illinois. The Illinois Association of Community Action Agencies (IACAA) actually has a service area, which includes 45 rural counties.
- Please see IHDA's website (<https://www.ihda.org/>) for additional information and details on these programs, including local administering agencies for your area. Please also see the State's 2018 Annual Comprehensive Housing Plan and its 2017 Annual Progress Report available on that same website for review and downloading as needed.
- 8th Annual Governor's Conference on Affordable Housing Champion Awards:** This year's conference was held on February 21-22, 2018 in Chicago. This year's winner of the Jon Linfield Award for the most distinguished development in a rural, small town, or non-metropolitan area was Lawrence Lofts, an adaptive re-use of a five-story former office building located in downtown Sterling (Whiteside County), the Lawrence Building, into

20 loft apartments with affordable rents for individuals and families. The development will also save the Whiteside County Extension Courthouse by allowing the County to maintain its ownership of the building's first floor. This \$5.6 million development was done by Rock Island Economic Growth Corporation (RIEGC), and included assistance from the LIHTC program, the CDBG Section 108 Loan Guarantee program, an FHLB-Affordable Housing Program (AHP) grant, State donation tax credits, and a city façade grant. Services include coordination of veterans services with the Sterling VA, financial literacy training available on-site from HUD-certified housing counselors.

4.14 ILLINOIS INSTITUTE FOR RURAL AFFAIRS (IIRA), WESTERN ILLINOIS UNIVERSITY (WIU)

The IIRA was founded in 1989 as a charter member of the GRAC. For over a quarter century, the IIRA has delivered an array of community and economic development technical assistance to rural communities. The IIRA hosts the MAPPING (Management and Planning Programs in Nonmetropolitan Groups) strategic visioning program. It adopts an asset-based, rather than a needs-based approach to help communities create plans for future development. Communities that have recently gone through the MAPPING program include Winchester and Downs, Illinois.

The IIRA also operates a Peace Corps Fellows (PCF) program. Returned Peace Corps Volunteers can enroll in one of 10 M.A. degree programs at WIU. After completing 2-3 semesters on the WIU campus, the PCF is assigned to an 11-month internship in a rural Illinois community. Typically, a community will have gone through the MAPPING process to identify some specific community and economic development goals. Then the PCF is placed in that community to help it achieve those goals. Currently, PCFs are serving in Macomb, Carbondale, and Oregon, IL.

Other programs operated by the IIRA include: a Small Business Development Center (SBDC) to help entrepreneurs write sound business plans to launch new businesses; two Procurement Technical Assistance Centers (PTAC) to help businesses sell goods and services to local, state, and federal government agencies. In January 2017, the IIRA opened a second SBDC and an International Trade Center on the WIU-Quad Cities in Moline.

The IIRA also hosts the Rural Transit Assistance Center (RTAC), which provides training to rural transit drivers and helps plan for demand-response public transit services in rural communities; and the Value-Added Sustainable Development Center (VASDC), which provides assistance to renewable energy, local foods, and value added agriculture projects. VASDC has also secured a \$200,000 USDA Rural Cooperative Development grant to help promote cooperatives and the community-supported businesses mentioned elsewhere in this report.

Finally, the IIRA has also launched a new M.A. degree in Community and Economic Development. This new degree is offered in a hybrid fashion at the WIU-Quad Cities campus to provide students with flexibility so that they can pursue this graduate degree while working.

4.15 ILLINOIS STATE BOARD OF EDUCATION (ISBE)

The ISBE serves as a resource, provides leadership, and sets standards for the primary and second public schools in all 102 counties of the state. More information about how rural and small schools are specifically served can be found online at the ISBE website: <https://www.isbe.net/>. Of particular value is the Illinois Report Card database which allows parents, teachers, and other community stakeholders the ability to evaluate their local school funding, staffing, enrollment, and student performance issues. In addition, interested parties can use the database to make comparisons between urban and rural schools.

4.16 NORTHERN ILLINOIS UNIVERSITY (NIU), CENTER FOR GOVERNMENTAL STUDIES (CGS)

The CGS at NIU is working with the Office of the Lt. Governor to conduct research on making rural local government and public service delivery more efficient. This is an important issue given the downward population trends in much of rural Illinois. A summary of this work is located earlier in the report on page 22.

4.17 RURAL PARTNERS, THE ILLINOIS RURAL DEVELOPMENT COUNCIL

Rural Partners is the federally designated rural development council for Illinois. Rural Partners is a statewide, member driven and member supported forum that links individuals, businesses, organizations and communities with public and private resources to maximize the potential of rural Illinois. Rural Partners focuses on improving the quality of life for individuals and communities across the state, through efforts that support economic vitality, quality of life and leadership development. Rural Partners members represent local, state and federal government agencies; non-profit organizations; communities; private businesses; and individuals. Its strength comes from its diverse, informed and engaged membership.

Rural Partners supports projects and participates in organizations and forums to advocate for rural development issues, including collaborating with the Illinois Institute for Rural Affairs (IIRA) and the Governor's Rural Affairs Council (GRAC), chaired by the Illinois Lt. Governor, to host a statewide conference focused on rural development. In 2017, 247 people attended the conference in Springfield, Illinois. Guest speakers included Illinois Governor Bruce Rauner, and Lt. Governor Evelyn Sanguinetti. Conference presentation topics included working with manufacturers, TIF districts, rural development after the recession, rural arts and creativity, telepharmacy,

crowdfunding, population migration, rural revitalization, and more.

Members of Rural Partners met with Dr. Sameer Vohra, SIU School of Medicine, after the Rural Partners Board meeting November 14, 2017. Dr. Vohra provided information on social determinants of health and projects to address health issues in Illinois. Illinois State Senator Andy Manar also joined the group to discuss recent school funding formula reform that he spearheaded that is expected to benefit small and rural schools. SIU School of Medicine hosted the Rural Partners board meeting and presentations as part of an effort on behalf of the Rural Partners board to offer special activities and presentations to members of Rural Partners.

Rural Partners and its constituent members work with the GRAC to update the *Rural Illinois Resource Guide*, which is a searchable, online database, representing the most comprehensive collection of rural development resources in Illinois. Entries in the database include federal, state, local, and nonprofit organizations with a primary mission focused on rural development, and sources of grants, low-interest and forgivable loans, technical assistance, research, and other items of interest to rural community stakeholders. Rural Partners and its members participate in rural development policy forums including the Governor's Rural Affairs Council, University of Illinois Extension Partners, Governor's Taskforce on the Creative Economy, the Illinois Statewide Independent Living Council, the Illinois Comptroller's Rural Advisory Board, and the National Partners for Rural America (PRA) among other forums. Illinois Rural Partners member Jerry Townsend serves as past president of PRA. For more information, see www.ruralpartners.org

4.18 SIU SCHOOL OF MEDICINE – CENTER FOR RURAL HEALTH & SOCIAL SERVICE DEVELOPMENT

The SIU School of Medicine – Center for Rural Health and Social Service Development (CRHSSD) has a tradition of working to improve health care accessibility and quality in rural Illinois, especially in southern Illinois. Specific topics currently addressed include the opioid crisis, and transportation access to health care in rural communities. One specific project currently underway is to consider how emergency medical technicians (EMTs) could be retrained to provide non-emergency medical care in underserved parts of the state. More of their work is covered in the health care working group portion of this report. More information on the CRHSSD is available online: <https://crhssd.siu.edu/>.

4.19 UNIVERSITY OF ILLINOIS EXTENSION

For more than 100 years, University of Illinois Extension has been translating university-generated research into information for individuals, businesses and communities across the state. Extension is headquartered at the University of Illinois, Urbana-Champaign (UIUC), and located in the University of Illinois College of Agricultural, Consumer and Environmental Sciences. From this base, Extension provides information and education that helps Illinois residents improve agricultural practices, protect the environment, access better food, improve nutrition, develop their communities, build stronger economies, provide learning opportunities for youth, and prepare a more effective workforce.

Extension programs have a lasting impact in our lives, our communities, and across our state. University of Illinois Extension focuses on five areas that directly benefit rural Illinois: (i) Energy and environmental stewardship, (ii) Food safety and security, (iii) Economic development and workforce preparedness, (iv) Family health, financial security, and wellness,

and (v) Youth development. These five themes are addressed through the following programs:

- **Agriculture and Natural Resources.** These outreach programs provide technical assistance on commercial agriculture, horticulture, energy and environmental issues, and local foods and small farms. The Extension Master Gardeners program recently celebrated its 40th anniversary. Master Gardeners have given more than two million volunteer hours to their communities across the state.
- **Family and Consumer Sciences.** These programs emphasize consumer economics, family life, and nutrition and wellness. Extension is working on a \$4.5 million USDA grant to help schools provide more nutritious meals while reducing food waste.
- **4-H and Youth Programs.** Through these programs, young people learn about environmental stewardship, agriculture, entrepreneurship, leadership, and can join in a range of local recreational opportunities. More than 200,000 young people participate in 4-H programs across Illinois each year.
- **Community and Economic Development.** These programs help Illinois community members, business owners and managers, and elected officials improve community quality of life. Specific programming helps train elected and appointed public officials, provides training in community disaster preparedness, strengthens leadership skills, helps communities foster economic development, and addresses a range of other topics relevant to rural communities.

University of Illinois Extension provides Illinois residents in all 102 counties with access to the research, new information, and knowledge generated at the University of Illinois and our nation's network of land grant institutions. Through learning partnerships that put

knowledge to work, U of I Extension programs help individuals make their communities and organizations better, healthier, safer and more sustainable. For more information, visit extension.illinois.edu.

4.20 UNITED STATES DEPARTMENT OF AGRICULTURE (USDA)—RURAL DEVELOPMENT, ILLINOIS

The mission of USDA Rural Development has been and continues to be “to increase economic opportunity and improve the quality of life for all rural Americans.”

Under the leadership of Secretary Perdue, Rural Development is focused on the importance of Infrastructure, Partnerships and Innovation (IPI) to increase rural prosperity. That means:

- Providing robust, modern infrastructure to our rural communities,
- Working with partners to leverage capital and services, together achieving more for rural residents, and
- Providing innovative approaches to rural challenges and opportunities.

The focus on innovation includes meeting Secretary Perdue’s goal for USDA to be the most efficient, most effective and most customer-focused USDA ever.

In fiscal 2017, USDA Rural Development in Illinois invested over \$605 million to improve rural resident’s lives. As a result of that investment:

- More than 2,300 rural subscribers have new or improved telecommunications and broadband service,
- Nearly 80,000 rural families have safer water or improved waste systems,
- Over 4,000 families obtained safe, affordable housing, and

- More than 958,000 rural residents are enjoying new or improved essential community facilities and equipment, from squad cars to hospitals; fire stations to community centers and more.

Investment and impact, delivered with an efficiency, effectiveness and strong commitment to customer service that begins with the 80 dedicated staff of Rural Development in Illinois:

Efficient – In FY 2017, for every dollar Illinois USDA Rural Development received, 98 cents was invested directly onto the projects. Less than 2 cents of that dollar went to administrative costs.

Effective – According to the USDA FY 2017 Budget Summary, USDA-RD turned actual appropriation dollars of \$2.8 billion into nearly \$34 billion of investments in rural America, representing more than a tenfold increase.

Customer Focused – USDA Rural Development is the only Mission Area within USDA that has a field based delivery system in place that can reach all 1.47 million rural residents of Illinois and all 41 million rural Americans.

The USDA is committed to the rural communities in Illinois – and to delivering with the greatest possible value our programs to build prosperity.

PART V. CONCLUSIONS

This report accomplished several objectives. First, it provided an overview of the demographic and economic trends in rural versus urban Illinois. Evidence presented suggests that the decades-long population decline in many rural communities appears to be an intractable problem. However, not every rural county has experienced decline. Second, the report concludes that a robust rural economy requires a diverse economic base. Moreover, it is this point that holds the solution to resolving the first point – the challenge of demographic decline. Policies that promote rural non-farm economic development can stabilize on-farm household income, retain young people, and improve the overall quality of life in rural places.

Second, the report documented the work of three working groups created by the Lt. Governor to help foster interagency collaboration. The economic development working group has worked to highlight the importance of providing support to fledgling entrepreneurs.

The health care group has emphasized the importance of broadband technology to improve health care delivery in rural areas through telemedicine. This health care group has also worked to promote solutions to the opioid drug addiction crisis affecting rural and urban communities in Illinois.

The education working group has also focused on the challenges of improving the quality of rural education. This has occurred by finding new strategies to communicate to stakeholders about the importance of rural education to future workforce and economic development. The education working group also emphasizes the potential for broadband technologies to narrow the quality gap between rural and urban schools.

The third major objective of this report is to document the myriad ways that Illinois state agencies, federal agencies, non-profit organizations, and private sector stakeholders are working to improve the quality of life for rural places.

Rural Illinois is not a uniform place where single-size solutions will resolve the challenges. The benefit of the GRAC is that it allows different agencies to work alone and together to develop solutions tailored to resolve issues as they are manifested differently in different rural regions of the state.

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APPENDIX A
GOVERNOR'S EXECUTIVE ORDER 13 (1991)



EXECUTIVE ORDER

NUMBER 13 (1991)

**AN EXECUTIVE ORDER CREATING AN ANNUAL REPORT ON THE STATE OF THE
RURAL ILLINOIS ECONOMY**

WHEREAS, the Institute for Rural Affairs at Western Illinois University is the State's academic clearinghouse for rural development data and initiatives; and

WHEREAS, the Governor's Rural Affairs Council and the Institute for Rural Affairs coordinate rural development initiatives through the Office of the Lieutenant Governor; and

WHEREAS, the Lieutenant Governor as the Chairman of the Governor's Rural Affairs Council is given the authority to organize government and private sector resources to secure assistance for and to enhance the quality of life in rural Illinois; and

WHEREAS, the Institute for Rural Affairs at Western Illinois University has developed a format for an Annual Report on the State of Rural Economy and has agreed to produce this report.

THEREFORE, I, Jim Edgar, hereby order the following:

- A. Executive Order Number 6 and 7 (1986) are hereby amended in accordance with the provisions of this Executive Order.
- B. There is created an Annual Report on the State of the Rural Illinois Economy.
- C. The Annual Report on the State of the Rural Illinois Economy shall replace the Rural Fair Share Initiative created by Executive Order Number 6 (1986).
- D. The Institute for Rural Affairs at Western Illinois University shall organize the Annual Report in cooperation with the Governor's Rural Affairs Council.
- E. The Annual Report on the State of the Rural Illinois Economy shall assess rural economic indicators and make recommendations to the Governor and General Assembly on rural infrastructure needs.
- F. The Governor's Rural Affairs Council and the Institute for Rural Affairs Western Illinois University shall issue the Annual Report on the State of the Rural Illinois Economy no later than August 1 of each year to the Governor and General Assembly.
- G. For the purposes of the Annual Report on the State of the Rural Economy the following United States Bureau of the Census definitions as detailed in *Rural Revitalization: The Comprehensive State Policy For The Future* shall apply:
 - a. Rural County—No municipality over 50,000 population. Under this definition Illinois has 76 nonmetropolitan or rural counties.
 - b. Rural Area—Under 2,500 population regardless of whether they are in a Metropolitan Statistical Area or not.

This Executive Order Number 13 (1991), shall become effective upon filing with the Secretary of State.

October 11, 1991
Jim Edgar
Governor

APPENDIX B
GOVERNOR'S EXECUTIVE ORDER 11-4 (2011)



EXECUTIVE ORDER

11-04

EXECUTIVE ORDER REGARDING THE GOVERNOR'S RURAL AFFAIRS COUNCIL

WHEREAS, the Governor's Rural Affairs Council was created pursuant to Executive Order Number 7 on October 15, 1986, to maintain the rural emphasis in Illinois government, strengthen the rural economy, increase the capacity and viability of local government and improve education and human service opportunities in Illinois; and

WHEREAS, these issues remain priorities of the State of Illinois in the 21st Century; and

WHEREAS, the needs of rural residents and communities vary greatly from one part of the State of Illinois to another part of the State; and

WHEREAS, the rural challenges and opportunities continue to evolve over time; and

WHEREAS, the Institute for Rural Affairs at Western Illinois University is the academic clearinghouse in the State of Illinois for rural development and initiatives; and

WHEREAS, policies and programs developed to meet the needs of rural Illinoisans are most effective when directed and coordinate by a leader at the highest level of state government; and

WHEREAS, the Governor's Rural Affairs Council and the Institute for Rural Affairs at Western Illinois University coordinate rural development initiatives through the Office of the Lieutenant Governor; and

WHEREAS, the Lieutenant Governor, as Chair of the Governor's Rural Affairs Council, has the authority to organize government and private sector resources to secure assistance and enhance the quality of life for rural Illinois; and

THEREFORE, I, Pat Quinn, Governor of Illinois, pursuant to the powers vested in me by Article V of the Constitution of Illinois, do hereby order as follows;

I. PURPOSE

The purpose of the Governor's Rural Affairs Council is to develop and implement strategies for improving delivery of State of Illinois services to rural Illinois and to expand opportunities and enhance the quality of life for rural residents. The Governor's Rural Affairs Council and the Institute for Rural Affairs at Western Illinois University shall continue to issue an Annual Report in accordance with Executive Order Number 13 of October 11, 1991.

II. MEMBERSHIP

- a. The Lieutenant Governor shall serve as Chair of the Governor's Rural Affairs Council.
- b. Members of the Governor's Rural Affairs Council shall include one representative from each of the following Illinois not-for-profit corporations: Illinois Agricultural Association and Rural Partners.
- c. Members of the Governor's Rural Affairs Council shall also include one representative from each of the following governmental agencies or institutions in the State of Illinois: Illinois Department on Aging, Illinois Department of Agriculture, Illinois Department of Commerce of Economic Opportunity, Illinois Department of Employment Security, Illinois Department of Human Service, Illinois Department of Natural Resources, Illinois Department of Public Health, Illinois Department of Transportation, Illinois Environmental Protection Agency, Illinois Community College Board, Illinois State Board of Education, University of Illinois-Cooperative Extension Service, Illinois Housing Development Authority, Southern Illinois University, Illinois for Rural Affairs at Western Illinois University, and Illinois Finance Authority.
- d. The Governor shall appoint up to six citizen members to serve on the Governor's Rural Affairs Council as required to increase the Governor's Rural Affairs Council as required to increase the Governor's Rural Affairs Council memberships to a total of no more than 25 members.

III. GOVERNANCE

- a. The Council shall meet as often as the Chair deems necessary.
- b. The governmental agencies or institutions in the State of Illinois with representatives eligible to serve on the Governor's Rural Affairs Council shall provide information upon request to the Chair of the Governor's Rural Affairs Council concerning agency programs, data, and activities that impact rural Illinois.
- c. The Chair of the Governor's Rural Affairs Council may appoint persons, including but not limited to, representatives from government, private industry, and not-for-profit organizations, to serve on committees of the Governor's Rural Affairs Council and to provide input to the Governor's Rural Affairs Council as a whole.

IV. TRANSPARENCY

In addition to whatever policies or procedures the Governor's Rural Affairs Council may adopt, all operations of the Governor's Rural Affairs Council will be subject to the provision of the Illinois Freedom of Information Act (5 ILCS 430/1 et seq.) and the Illinois

Open Meetings Act (5 ILCS 12011 et seq.). This Section shall not be construed so as to preclude other statutes from applying to the Governor's Rural Affairs Council and its activities.

V. PRIOR EXECUTIVE ORDERS

Executive Order Number 6 of October 15, 1986, Executive Order Number 7 of October 15, 1986, Executive Order Number 13 of October 11, 1991, and Executive Order Number 1 of January 11, 2000, are each hereby amended in accordance with the provisions of this Executive Order Number 11-04.

VI. EFFECTIVE DATE

This Executive Order Number 11-04 shall become effective upon filing with the Secretary of State.

Pat Quinn
Governor

Issued by the Governor: May 18, 2011
Filed with the Secretary of State: May 18, 2011